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Upcoming WTO MC14 Against the Backdrop of Changing Global Trading Scenario

Concerns and Interests of Bangladesh as a Graduating LDC

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Abstract

The fourteenth Ministerial Conference of the WTO (WTO-MC14) is expected to be a defining event for the way the multilateral trading system is going to evolve and develop in the coming days. If LDC graduation of Bangladesh takes place in November 2026, this will also be Bangladesh's last Ministerial as an LDC. The Conference is taking place at a time when trade is being increasingly weaponised, and founding cornerstones of the WTO, such as the most favoured nation and single undertaking principles of the WTO and the rules-based global trading system, in general, are coming under serious scrutiny and threat. The paper undertakes a review of the reform proposals being discussed in the WTO and draws insights from relevant official documents and literature as also information gleaned from key informant interviews. Against this backdrop, the paper proposes a number of recommendations as regards Bangladesh's possible stance at MC14 to secure the country's interests as a graduating LDC and a future developing country. The paper underscores the need for Bangladesh to remain engaged in the discussions on WTO reforms, and argues that the single undertaking approach will be more to Bangladesh's benefit rather than plurilateralisation of the WTO discussions. In articulating in which direction the multilateral trading system could evolve and develop in the future, the paper presents a number of possible scenarios. The paper argues that to advance Bangladesh's trade-related interests, it should pursue a two-pronged strategy—remain actively involved in the WTO discussions on reform agendas, and at the same time take energetic steps to deepen trade and economic relationships in the region and broadly with key trading partners in the global south.

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Acronyms

ADB	Asian Development Bank
AEC	Asean Economic Community
AfCFTA	African Continental Free Trade Area
APTA	Asia-Pacific Trade Agreement
ASCM	Agreement on Subsidies and Countervailing Measures
ASEAN	Association of Southeast Asian Nations
BFTA	Bilateral Free Trade Agreement
BIMSTEC	Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation
BRICS	Brazil, Russia, India, China, And South Africa
CBAM	Carbon Border Adjustment Mechanism
CDP	Committee for Development Policy
CEPA	Comprehensive Economic Partnership Agreement
CPTPP	Comprehensive And Progressive Agreement for Trans-Pacific Partnership
DF-QF	Duty-Free Quota-Free
DRM	Development Review Mechanism
DSB	Dispute Settlement Body
DSM	Dispute Settlement Mechanism
DSU	Dispute Settlement Understanding
EAEU	Eurasian Economic Union
EBA	Everything But Arms
ECOSOC	Economic And Social Council
EDA	Electronic Design Automation
EIF	Enhanced Integrated Framework
EPA	Economic Partnership Agreement
ETCA	Economic And Technical Partnership Agreement
FDI	Foreign Direct Investment
FTA	Free Trade Agreement

G20	Group of Twenty
G77	Group of 77
G90	Group of 90
GATS	General Agreement on Trade in Services
GATT	General Agreement on Tariffs and Trade
GC	General Council
GDP	Gross Domestic Product
GLDC	Graduating Least Developed Country
GNI	Gross National Income
GSP	Generalized System of Preferences
GTO	Global Trade Organisation
IFD	Investment Facilitation for Development
ILO	International Labour Organization
IMF	International Monetary Fund
IPR	Intellectual Property Rights
ISM	International Support Measure
ITO	International Trade Organisation
JSI	Joint Statement Initiatives
LDC	Least Developed Country
MC	Ministerial Conference
MFN	Most Favoured Nation
MPIA	Multi-Party Interim Appeal Arbitration Arrangement
MRA	Mutual Recognition Agreement
MSME	Micro, Small and Medium-Sized Enterprise
MTS	Multilateral Trading System
NDA	Non-Disclosure Agreement
NTB	Non-Tariff Barriers
OECD	Organisation for Economic Cooperation and Development
OPA	Open Plurilateral Agreement
RCEP	Regional Comprehensive Economic Partnership
RFTA	Regional Free Trade Agreements
RMG	Readymade Garments
RT	Reciprocal Tariff
RTA	Regional Trade Agreement
SAFTA	South Asian Free Trade Area

SCM	Subsidies And Countervailing Measures
SCO	Shanghai Cooperation Organization
SDT	Special And Differential Treatment
SPS	Sanitary And Phytosanitary Measures
STS	Smooth Transition Strategy
TBT	Technical Barriers to Trade
TFA	Trade Facilitation Agreement
TICFA	Trade And Investment Cooperation Forum Agreement
TRIPS	Trade-Related Aspects of Intellectual Property Rights
TWN	Third World Network
UAE	United Arab Emirates
UN	United Nations
USA	United States of America
USD	United States Dollar
USMCA	United States-Mexico-Canada Agreement
VAT	Value-Added Tax
WTO	World Trade Organization
WW	World War

Introduction

By any measure, the upcoming WTO Ministerial Conference (WTO-MC14), scheduled to take place during March 26-29, 2026, in Yaoundé, Cameroon, is expected to be a watershed event for the multilateral trading system (MTS) that has evolved over the past three decades. As an institution entasked to set rules and regulations for global trade, the WTO is now having to react to the increasing attack on the rules-based MTS that it has championed over the years, with calls for deep reforms of the WTO itself. In all likelihood, MC14 will be a defining milestone against this backdrop. For Bangladesh, a country slated for the LDC graduation in November 2026, there is an added factor in this connection — MC14 will be the last Ministerial Conference of the WTO, if graduation gets deferred, before the country graduates out of the group of the least developed countries (LDCs) after more than five decades as a member of the group.[1] Both as a graduating LDC and as a future developing country, the aforementioned developments and the decisions at MC14 will be a critically important event for Bangladesh. This report takes these considerations as the context for the discussion and analysis presented in this paper on Bangladesh's concerns and interests in view of the MC14.

Indeed, the challenges to the multilateral trading system originate on many fronts. As may be recalled, the World Trade Organization (WTO) was established in 1995[2] on the basis of consensus of all major trading players with the objective of liberalising global trade, removing non-tariff barriers (NTBs) to movement of goods and services, and putting in place rules and disciplines by negotiating various agreements. The objective was removal of all NTBs and tariffication of all NTBs, and gradually bringing down the tariffs, and pursuing the principle of *National Treatment*.[3]

Overall, while there is a broad agreement that the WTO has served its objectives well over the last three decades, questions have been raised about various aspects of the functioning of the WTO, and whether WTO is fit for purpose in view of current and future challenges facing the MTS. These voices have become louder particularly in the course of recent past years, and the questions can no longer be ignored. Some feel that the WTO is facing an existential crisis. All these developments have important implications for future of the WTO as an institution, and for the way trade is conducted by various countries, including Bangladesh.

Indeed, the above has serious ramifications for the MTS — whether WTO will survive, albeit after having gone through some reforms, or whether a global trading system will emerge where powerful trading blocs will dominate the global trading scenario. It is also not known whether

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[1]While there is talk of deferment of graduation in Bangladesh, no formal submission has as yet been made by the country's Interim Government, either to the Committee for Development Policy (CDP, which is tasked to recommend a country for graduation from the LDC group to the UN), or directly to the UN-ECOSOC or UN itself. To note, Bangladesh became a member of the LDC group in September, 1975. The country was first recommended for graduation in 2018 and is set to graduate on November 24, 2026, following two successful triennial reviews by the Committee for Development Policy (CDP).

[2]Although its predecessor, the International Trade Organisation (ITO), was proposed in 1948 under the Havana Charter, the initiative failed to take off the ground when the US refused to ratify the charter, The plan for establishing the ITO was dropped in 1950 and it died its natural death. A number of countries, however, agreed to initiate discussions on trade liberalisation under the ambit of the General Agreement on Tariffs and Trade (GATT). Between 1947 and 1994 eight GATT Round negotiations were held with a view to liberalise sector-specific trade. In the end, following the eighth Round of GATT negotiation (the GATT Uruguay Round) a consensus was reached in 1995 to establish the WTO. The WTO had 124 founding members, Bangladesh being one of those. At present, the organisation has 166 countries as members.

[3]*National Treatment* implies that once a certain item enters a country by paying customs duties, it should receive the same treatment as domestically-produced same item.

in reaction to push for fundamental and all out reforms of the WTO, which is driven by some developed countries, particularly by the US, southern countries, particularly the BRICS, will take the lead to set up an alternative MTS. These are not speculative questions but real possibilities that deserve to be anticipated and strategised upon because of their implications for developing countries such as Bangladesh. It is thus important to have a sound understanding about the developments and their anticipated outcomes so that Bangladesh is able to calibrate its trade policies and strategise accordingly.

Also, in recent years growing use of trade, by powerful economies, to pursue their respective economic interests, has emerged as an increasingly manifested feature of the global trade. US and China are the two key protagonists in view of this, but there are also other countries and blocs which are resorting to using trade as an instrument to secure and advance their interest and influence policies of other countries. It is felt that there is a need to have a clear idea about the increasingly evident *weaponisation of trade*, so that Bangladesh is able to better appreciate the consequences and take initiatives to respond to these.

At the moment, negotiations are being held in Geneva, in various negotiating bodies and in the WTO General Council, to design the MC14 agendas and firm up the proposals to be floated by the WTO secretariat in view of this. Discussions are now being held on, among others, issues of WTO reforms including the decision making process based on consensus, the *Single Undertaking* approach based on the principle that *nothing is agreed unless everything is agreed*, framework of discussion and decision in the WTO, *special and differential treatment* (SDT) for developing countries including the LDCs, and how to create *level playing field* for all WTO members. All these have important implications for Bangladesh as an LDC, as a graduating LDC (GLDC) and its future as a developing country. The aforesaid developments will set the context for the upcoming WTO-MC14. A sound idea about these developments will help Bangladesh to better understand the backdrop of the Ministerial Conference and firm up its stance in view of the MC14 agendas in particular, and MTS in general.

Taking cue from the above, the present paper aims to address a number of important issues of Bangladesh's concern and interest in view of the MC14. The importance of the proposed study is that it looks at MC14-related issues from a broader and wider perspective, by both keeping the context of MC14 in the purview and in view of the global discourse on systemic and framework issues associated with global trade and the MTS.

Following the above preliminary remarks, the rest of the paper is divided into three sections. Section 1 articulates the salient features of the changing global environment through the lens of their implications for global trade and the MTS. Section 2 anticipates a number of possible scenarios concerning the evolution of the multilateral trading system and how Bangladesh should strategies in view of these. Section 3 presents Bangladesh's priorities in the context of the upcoming MC14 by keeping in the perspective both its strategic interests in view of the upcoming LDC graduation and taking into cognisance the developments within the WTO with a view to securing the country's trade and development interests. The study is wrapped up with some concluding remarks.

The paper draws on insights from relevant literature and documents concerning discussions in various negotiating committees in the WTO and the General Council in view of the upcoming MC14. The paper also captures insights from discussions with concerned officials from the Ministry of Commerce, Government of Bangladesh, the Bangladesh WTO Mission in Geneva and the WTO Secretariat.

Section 1: Distinctive Features of the Evolving Global Trading Ecosystem

MC14 is going to take place at a very distinctive and disturbing time when global trading scenario is undergoing important changes. Since its establishment, WTO has been striving to put the way global trade takes place under some discipline, backed by the consensus-based understanding that a *rules-based trading system* is beneficial for all participants in global trade, that it is a *positive sum game* with *win-win outcome*, and that pursuing protectionism is harmful in the long run. At the same time, there is a broad understanding that not all countries are automatically able to benefit from trade and that there are developmental dimensions to multilateral trade which needs to be secured through SDT and targeted provisions and interventions.

There is no denying that in no time since the World War II (WWII) has there been so much happening in the context of how the global trade is shaping up. The challenges are emanating both from within the WTO as the multilateral institution setting the rules of games in global trade, as also in view of the developments outside of the remit of the WTO. Both have significant and serious implications for the future of the WTO.

Some of the distinctive features of the evolving global trading scenario are the followings:

Firstly, over the recent past years, there has been a persistent call for deep reforms of the WTO by powerful members, led by the United States. On the other hand, many developing countries, while conceding that there is a need for reforms in certain areas, do not agree with the way 'reforms' are being defined, particularly by the USA which is questioning the decision-making principle of the WTO (*one country one vote and consensus-based decision-making*) as also the *developmental dimensions* of trade and the role of the WTO in this context.

To note, the WTO currently covers abound 98 per cent of global merchandise trade (WTO, n.d.a). The organisation was designed to provide predictability and stability through binding rules, market-access commitments and an integrated dispute settlement mechanism (DSM) that is particularly useful to smaller and weaker economies which seek to get redressal through due legal process. All these foundational tenets of the WTO are being put under scrutiny at present. Indeed, as an institution WTO is now in its most vulnerable state since its establishment. For example, the WTO-DSM is often called the jewel in the crown of the multilateral trading system. However, the WTO Appellate Body, which functioned as the 'court of final appeal' in trade disputes, had ceased to operate since December 2019 — when the terms of two of the remaining three members of the Appellate body expired (after the United States had blocked new appointments and reappointments in 2016). As a result, any member can now appeal a panel ruling 'into the void', preventing it from becoming binding. This seriously undermines both the enforceability and efficacy of WTO law (Murrill, 2019).

Under the Trump administration, US disengagement from the WTO has deepened further. Not only did the US continue to block Appellate Body appointments in WTO-DSB, in more recent times it has also suspended its financial contributions to the WTO, leaving arrears of 22.7 million Swiss francs and putting the United States in a formal 'arrears category' which limits some of its institutional roles (Farge, 2025). Mention should also be made of the sweeping waves of unilateral 'reciprocal' tariffs (RTs) imposed by the US on imports from a wide range of partners, including China, Canada, the European Union, as also a large number of developing countries. These were often justified on *national-security emergency grounds*, and applied at

differentiated rates ranging from 10 to 50 per cent.[4] Such arbitrary measures violate the non-discriminatory MFN principle of the WTO and its National Treatment provisions and also goes beyond the bound tariffs allowed by the WTO.[5] The RTs stretches the limited scope of WTO-permitted national security exceptions to an extent never seen before and signal a deliberate departure from core WTO disciplines. Indeed, the onslaught started when Mr Trump became President of the USA for the first time in 2016 when the US administration got involved in trade war with China. Although the RTs are not WTO compatible, USA insists that it can impose such measures on the grounds of national economic security and emergency. US indeed has deficit in its global trade in goods. However, this cannot be used as a reason for imposing RTs. If this particular reasoning is accepted, then other countries with bilateral trade deficit can also argue along similar lines and impose their own RTs. But then there will be no place for a multilateral trade organisation such as the WTO under those circumstances.[6]

Secondly, many countries are at present pursuing bilateral and regional trading arrangements, in a combination of *variable geometry*. These, while allowed by the WTO, are overwhelmingly *WTO plus*, meaning they go beyond what is stipulated under the various WTO Agreements. To elaborate, developing countries are going for various types of reciprocal tariff agreements (RTAs), in various combinations: bilateral, regional and even pan-continental (e.g. African Continental Free Trade Area). Also, these trading arrangements are of different nature: free trade agreement (FTA); economic partnership agreement (EPA); economic and technical partnership agreements (ETCA); comprehensive economic partnership agreement (CEPA), etc. These RTAs are *WTO Plus* in the sense that these go deeper than what is agreed upon in the WTO in areas of tariff and trade liberalisation, and also embrace many areas other than trade in goods e.g. trade in services; digital trade; investment provisions; intellectual property rights (IPRs) issues; various standards and compliance issues; environment; information and communication technology; technology transfer, etc.

Article XXIV of GATT-WTO does allow setting up of the RTAs as long as these are, as was noted earlier, *WTO Plus*, meaning that trade liberalisation goes deeper than what is there in the WTO Agreements. This is permissible as long as such regional agreements do not have provisions that undermine the trade interests of WTO members not belonging to the RTA.

In view of these, questions have been raised whether WTO will be overwhelmed by big regional economic bodies with their own rules, regulations and disciplines.

The other concern relates to *Plurilateral Arrangements*. Plurilaterals are allowed in the WTO (Article II: 3 of GATT) under certain conditions: the plurilateral agreement has to have the

[4]To note, the RTs have evolved and gone through multiple changes over the past several months. Initially, on 2 April 2025, a 10 per cent baseline tariff was announced on imports from more than 180 countries, with a subset of 90 countries' April imports subjected to the so-called RTs ranging from 11 per cent (e.g., Cameroon) to 50 per cent (e.g., Lesotho) (Tralac, 2025). Later on, following bilateral negotiations, the RTs were fixed anew. For Bangladesh, the RT is now 20 per cent, over and above the stipulated tariff rates for a particular item. The average MFN rate on imports from Bangladesh being 15 per cent, the average tariff rate would be 35.0 per cent. Bangladesh had to make a number of concessions to come to these negotiated outcomes, in areas concerning import tariffs, sourcing of imports from the USA, reducing public procurement, and rules and regulations regarding Intellectual Property Rights (IPR) enforcement and investment policies.

[5]*Bound Tariffs* are maximum tariffs that a WTO member country agrees to impose on its imports (which is generally set at higher levels than *operative tariffs*).

[6]To also note, while US has deficits in trade in goods, it has a sizeable surplus in trade in services. What will happen to global trading system if all countries having bilateral deficit in trade in services take an approach similar to that of the US?

support of WTO members which account for major share of global trade in the particular item (*critical mass*), and what is agreed by this coalition of the willing is then have to be endorsed by the WTO General Council members on a consensus basis.

Thirdly, major differences have emerged among key WTO members as regards almost all issues on the negotiating table, including WTO reforms, decision-making process, plurilateral agreements, and various sectoral policies. This is making the WTO a much weaker and vulnerable institution. The failure to reach consensus-based tangible decisions and arrive at substantial outcomes at recent WTO Ministerial Conferences is a testimony to this.

And fourthly, *weaponisation* of trade for meeting economic and geo-strategic objectives has been on the ascendency in recent times, increasingly taking the shape of various *non-tariff measures*: some countries are putting in place onerous rules of origin requirements, some are resorting more and more frequently to *anti-dumping* and *counter-vailing measures*; some are putting in place measures that discourage exports from other countries (e.g. labour, environmental, carbon emission standards and certification requirements). These often, and in effect, tend to work, and be seen by affected countries, as barriers to trade. Not that some of these are not important, and even needed, but these are being increasingly put on a unilateral basis, outside of the ambit of the WTO and often without flexibilities to be exercised by developing countries and LDCs.

The weaponisation of trade, alarmingly visible in recent times, calls for a deeper understanding. This is elaborated below.

Weaponised Interdependence

There is a need to have a deeper understanding about the shifting dynamics of global trade in recent times since these have important bearing on both global trade and the MTS. It has a number of distinct features: changes in production systems and the rise of supply chains and supply networks; growing role of technology and its unprecedented impact on how global trade takes place. Not all countries are able to take advantage of this and only a few powerful countries can actually do so, and actually they do. These fortunate few countries are taking advantage of their economic power to weaponise trade for purposes of economic gains and geostrategic positioning.

Henry Farrell and Abraham L. Newman (2019) have developed the concept of 'weaponized interdependence' which posits that contemporary globalisation is largely built on dense and highly centralised networks in finance, data, logistics, and production. This has resulted in a world where only a handful of states and firms occupy crucial hubs and thanks to these dominate and dictate global trade. Countries which can exercise jurisdiction and power over these hubs can translate economic interdependence into tools of agency and coercion. The authors argue that rather than the diffused mutual gains promised in the 1990s, twenty-first century globalisation has generated *asymmetric power* embedded in network structure. Whether this originated from unintended result or unanticipated byproduct or conscious and deliberate choice by the dominating countries remains open to question and debate. However, many feel that that's how capitalism in twenty-first century is taking shape, and is being shaped. The net result is that by any measure the *grand era of globalisation* is drawing to a close.

In explaining how weaponisation of trade emerged, Farrell and Newman observe that following the cold war, firms constructed a deeply interdependent global economy founded on US-centred infrastructure. The authors point to three key factors in this connection: a) *Information networks*

(the internet, e-commerce, cloud computing and social media came to rely on US platforms); b) *Financial networks* (US dollar clearing, correspondent banking and the SWIFT messaging system which positioned the US at a structural chokepoint); c) *Technology and semiconductor networks* (production was globally distributed, but key intellectual property such as Electronic Design Automation (EDA) tools, chip design software, high-end equipment remained in US hands) (Farrell and Newman, 2025).

One can add a fourth factor as well which concerns consumer market access: the US remained the largest and most lucrative consumer market in the world, creating dependency for exporting economies all over the world. As the single largest market, US exercises enormous leveraging power. To note in this connection, the reason why US was able to compel almost all countries of the world to come to the negotiating table following imposition of the RTs was that it was endowed with this enormous market power which it could then leverage.

The aforesaid factors identified by Farrel and Newman, which initially and primarily had a security angle, gradually evolved into a broader geo-economic toolkit to undermine interests of other countries — cutting adversaries out of dollar transactions; putting pressure on allies through secondary sanctions; compelling technology firms to surrender data; and at later stage, using export controls to strategically undermine and rein-in Chinese firms such as Huawei.

According to Farrell and Newman (2019) this created two effects: *panopticon effects* (informational asymmetry) and *chokepoint effects* (cut-off powers). The mechanism of power through which these effects are exercised is that large-scale networks under the control of powerful states create complex systems that in turn produce asymmetric network structures in which some nodes are 'hubs' and are far more connected than others, creating the potential for 'weaponised interdependence'.

In this system certain countries are able to leverage interdependent relations to coerce others. This is done through the ability of hub states to monitor flows that pass through key nodes, such as dollar clearing banks, financial messaging systems or major digital platforms. It is difficult for other countries to bypass these nodes; hub states gain an informational advantage about the behaviour and vulnerabilities of other actors by using their network position. This is what the authors term as *Panopticon Effect*. At the same time, those same states use their power to restrict or cut access to the network, imposing narrow strategic vision and very high costs on targeted countries or firms belonging to those countries. Adversaries can be cut off from the network flows. This the authors terms as *Chokepoint Effect*.

The end result of the aforesaid weaponised interdependence is contrary to, and implies a transition away from, the post-war WTO vision of rules-based cooperation and diffused gains that are founded on both rules and disciplines and a recognition of the developmental dimensions of trade. This type of weaponisation of interdependence is exercised by not just one country. Others also learn from and emulate the principal player. They also take lessons, and learn to weaponise interdependence: for example, China with rare earths and the EU with its regulatory power.

However, most countries are either victims of such exercise of power or are innocent bystanders. Consequently, the traditional rules-based system and consensus-based rule making process comes under threat as the global economy becomes less open, more fragmented, and harder to govern through rules. How the US deploys this hegemony is interesting to note. The authors argue that the dollar-based financial system, cross border payments, key technology platforms and, crucially, access to its enormous consumer market has a defining role in helping the US

remain at the centre of multiple networks. Its structural advantages are increasingly exploited through tariffs, sanctions, export controls and technology restrictions. Other powers respond by trying to build partial alternatives.

President Trump's imposition of the RTs on April 2, 2025, represents and reflects an extension of weaponised interdependence, from finance and technology into trade policy. The subsequent bilateral trade negotiations bring this weaponised interdependence in a most vivid and explicit way, with USA forcing countries to come to terms on its own terms. The size of its huge consumer market is used as its chokepoint and, as Bangladesh's bilateral discussions with the USA in the context of Trump RTs (held during May-July, 2025) demonstrated, access is made conditional on economic interests and political compliance. Instead of tariffs being an ordinary protectionist instrument, these become an instrument of bullying and coercion to leverage concessions from trading partners, both allies and adversaries. No country is spared. This marks a profound shift tariffs become part of a broader arsenal of geoeconomic weapons severely undermining the principles of non-discrimination, Most Favoured Nation (MFN) tariffs[7], binding commitments (such as bound tariffs[8]), and negotiated reciprocity.[9]

Weaponised interdependence undermines and adversely impact the delicate balance between obligations, flexibilities and SDTs. This balance, arrived at through years of negotiations and consensus-based decisions, are not only weakened but also totally ignored. It erodes the commitment of predictability, non-discrimination and binding dispute settlement which are the foundations on which the WTO is built. Indeed, this type of unilateral, security-based tariffs falls outside the WTO discipline by pushing the boundaries of national security exceptions (GATT Article XXI[10]) beyond any reasonable remit. When countries are compelled to negotiate on a one to one basis (as has been the case with Bangladesh, Viet Nam and other countries in the context of Trump tariffs), it erodes WTO's authority. The recently signed (9 February 2026) Agreement Between the United States of America and the People's Republic of Bangladesh on Reciprocal Trade puts a number of obligations to be complied with by Bangladesh that goes far behind Bangladesh's obligations and treatment as an LDC member of the WTO. According to the Treaty, the US requires Bangladesh to offer preferential market access (to US imports) and procure goods from USA whether this is commercially viable or not. The Treaty also has provisions that define how Bangladesh should interact with third world countries in areas of trade, procurement and defense purchase. The Treaty also asks Bangladesh to comply with WTO Agreement provisions inspite of the SDTs enjoyed by Bangladesh as an LDC (USTR, 2026). When countries begin to retaliate, such as China with its rare-earths export restrictions, this also falls outside of the WTO adjudication, further undermining WTO's mandate.

No doubt, if trade becomes a security issue, WTO rules will become secondary. National security is thus weaponised and becomes the justification for tariffs, export controls, and market access restrictions. The more countries invoke security, the less enforceable WTO rules become and, also to note, which country does not have its own security concerns! The way President Trump

[7]MFN principal stipulates favour one, favour all in global trade in case of imposition of customs duties.

[8]WTO members commit to upper limits as regards import tariffs (bound tariffs) beyond which they would not raise their import duties.

[9]A balanced approach between commitments and obligations on the one hand and benefits on the other.

[10]This allows WTO members to take emergency steps on grounds of national security by suspending trade-related obligations. However, these are supposed to be time-bound, and their validity may be challenged in WTO WTO-DSB.

has defined 'Economic Security' and taken trade measures to address those, severely undermine both the philosophy and the practicalities of international trade and rules-based MTS.

There is a growing realisation among many emerging and developing countries that the current architecture of the WTO does not fully reflect the correlation of forces in the global economy and global trade. Many feel that the USA is trying to punch above its weight (since it accounts for only about 10-12 per cent of global trade). On the contrary, the share of BRICS countries in global trade is about 24 per cent. Some have floated the idea of an international trade organisation without the USA, while some others have proposed the idea of establishing a *Pan-Global South* trade organisation. All these have put under question the very existence of the WTO in a way not seen since its establishment in 1995. How best weaker economies such as Bangladesh could position themselves in view of this evolving discourse on such a new and alternative institutional architecture of global trade is a question that merits serious consideration.

The important question to consider is what all these means for the MTS, for the WTO and for Bangladesh. The next section deals with these issues.

Against this backdrop some of the questions that may be posed are: Is there a future for the WTO? what are the reforms that the WTO must pursue to survive in the face of the existential crisis it is facing at the moment? In the face of Trump RTs and other protectionist measures pursued by some powerful countries, what is to be done to safeguard the interests of the developing countries in the context of the global trading system? What is the possibility of a WTO without the USA? What alliances or power blocs are likely to emerge in view of the likelihood of the above? What is the likelihood of establishing a *Global Trade Organisation* (GTO) in place of the existing WTO? Section 2 deals with some of these issues.

Section 2: Future of the Multilateral Trading System and Bangladesh's Strategies

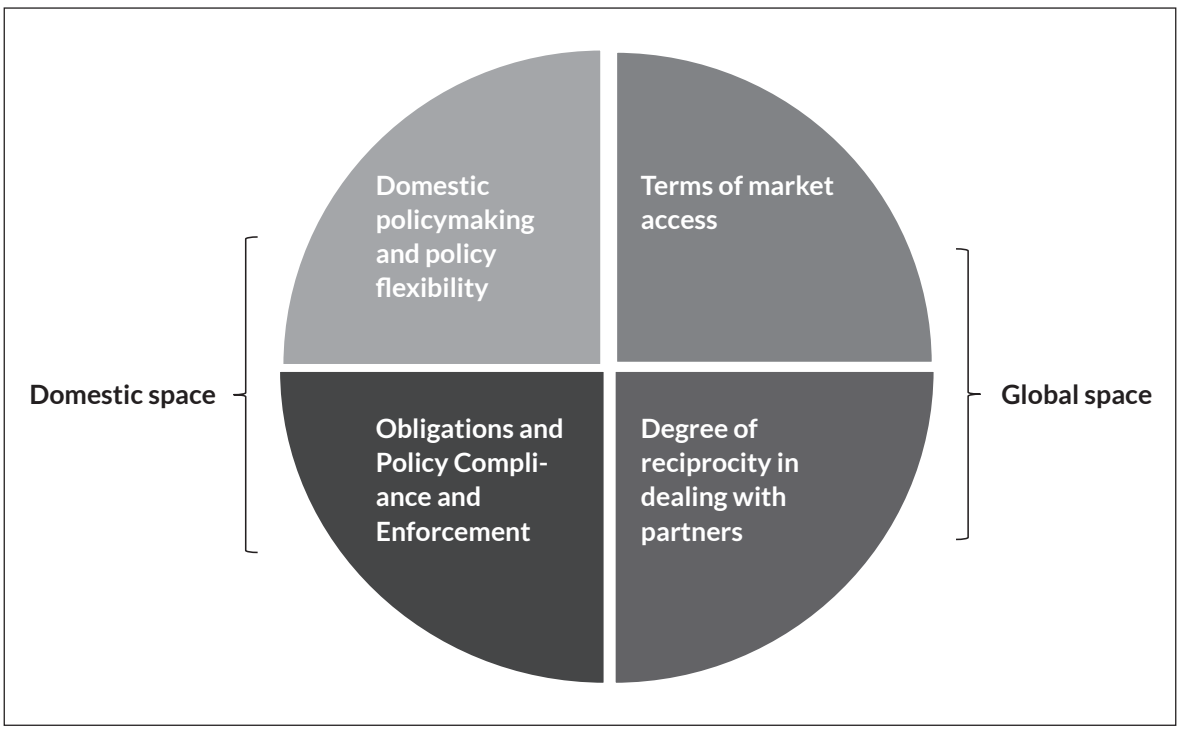
As a future developing country, Bangladesh will experience the impacts of LDC graduation both in the domestic space (compliance assurance; obligations and commitment), and the global space (market access condition, full or less-than-full respectively), as depicted in Figure 1.

Bangladesh's strategies in view of the various likely scenarios concerning the future of the WTO will, thus, need to be considered from the vantage point of the above three perspectives.

There is a broad understanding in view of the discussion in Section 1 that the WTO cannot function as it did over the past three decades. It has to change in order to survive. But opinions differ as to how to deal with the emergent situation: survey of global literature exposes several strands of thoughts as regards managing the global trading system consequent to the emergent challenges and concerns. Broadly speaking there are two strands in view of the above: the first one subscribes to the idea of continuing with the WTO as the multilateral institution tasked to regulate global trade, but conceding that is has to change in meaningful ways. The other strand subscribes to the view of that the WTO is no more fit for the purpose it was set up for, that as an institution it is unsalvageable, and that an alternative architecture ought to be put in its place. These views range from a reformed WTO to setting up a trading system that excludes the USA to setting up a different multilateral trading body altogether.

The following discussion anticipates a number of scenarios in view of the future of the WTO, ranging from a reformed WTO to a future world without the WTO. A survey of relevant global discourse and literature indicate that there are broadly five possible scenarios that could be

Figure 1: Impact of LDC Graduation on Policy Space

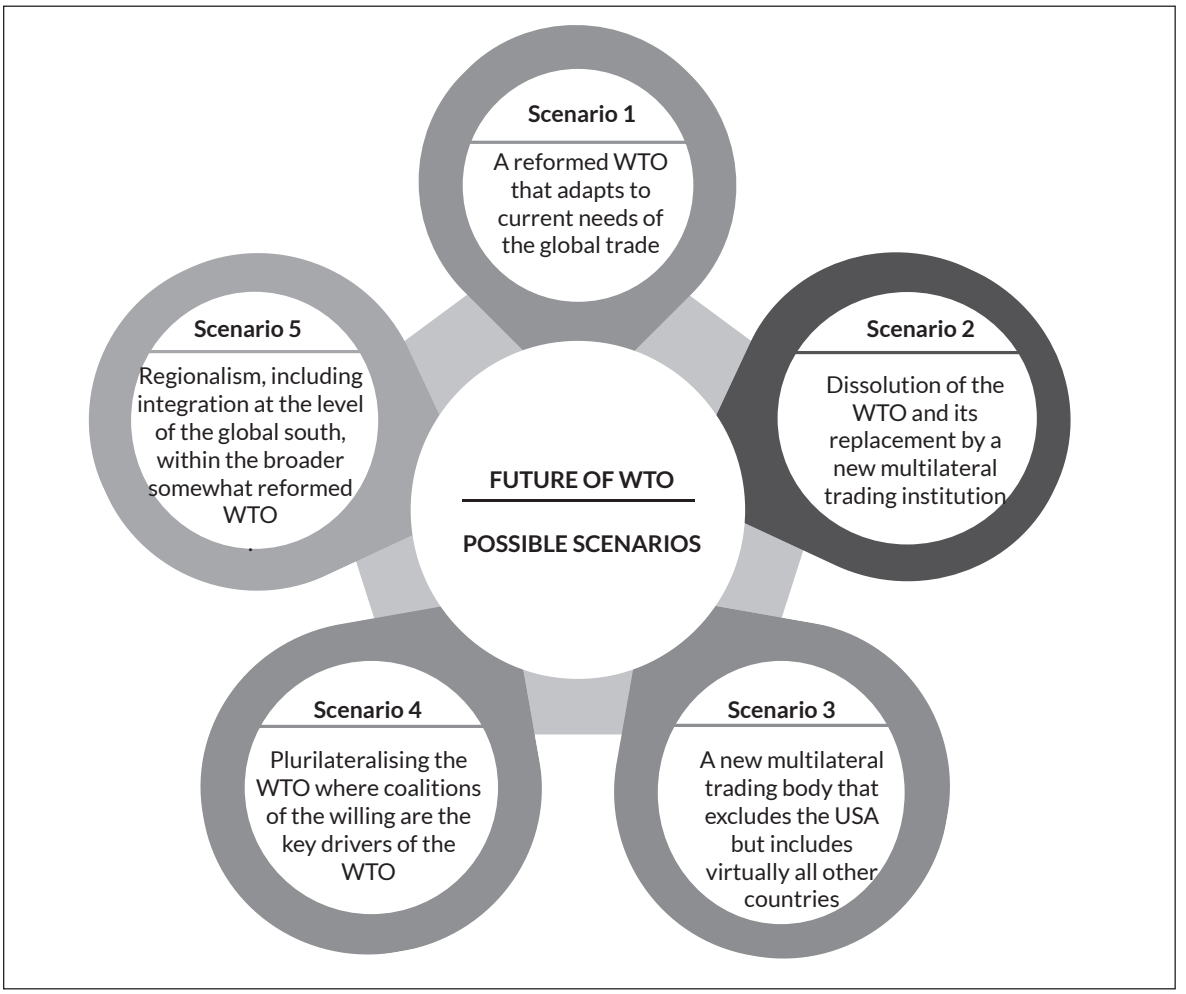


Source: Rahman (2025).

envisioned against this backdrop. These are depicted in Figure 2. The section also discusses Bangladesh's possible approach in view of each of these scenarios.

Anticipated Scenarios

Figure 2: Future of the Multilateral Trading System and Possible Scenarios



Source: Authors' illustration.

Scenario 1: A Reformed WTO That Adapts to Current Needs

The first scenario is that WTO members, through discussions and negotiations, succeed in reforming and revitalising the existing institution, taking care of the concerns raised by various members. In this case, a functioning dispute settlement system is restored, key rule areas are updated and WTO's capacity to address contemporary trade issues, including non-trade barriers, subsidies, state-owned enterprises, digital trade and climate-related measures are strengthened. As is known, reform discussions have been going on in the WTO since the early 2000s. Powerful members, more specifically the US, has been arguing in favour of deep reforms of the WTO without which, according to them, WTO remains ineffective as a trading body which is adequately equipped to address the issues and challenges of the twenty-first century.

As was noted earlier, the DSM has remained dysfunctional since 2019; US is also not paying its dues to the WTO for some years now. To recall, at MC12 held in 2022, members had acknowledged these concerns and committed, in principle, to work towards a 'fully and well-functioning' dispute settlement system by 2024. However, this deadline has not been met, and negotiations remain politically sensitive (WTO, 2024a).

Various strategies have been suggested as to how to approach the reform agendas concerning the WTO. This embraces host of issues and many areas. Some argue that a realistic reform strategy would call for a coalition of the three major non-US trade blocks – the European Union (EU), the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and China – to reaffirm their commitment to WTO principles while engaging the US on dispute-settlement reform, subsidy disciplines and industrial policy rules. Such a coalition could pursue incremental agreements on issues such as transparency, industrial subsidies, digital trade and environmental measures. The coalition would help rein-in over-use of national-security exceptions as espoused by the US. Meanwhile, some interim arrangements would remain in place. Relying on arrangements such as the *Multi-Party Interim Appeal Arbitration Arrangement* (MPIA[11]), the coalition would drive the appellate review process till the time when the Appellate Body is restored and fully functioning (Butler, 2025).

For developing economies and the LDCs, WTO, as the rules-based multilateral institution guiding the global trade, remains relevant and useful despite its shortcomings. The organisation provides global public goods such as transparent rules, notification and surveillance mechanisms. It is a forum where relatively weaker members can amplify their bargaining power through the *one country one vote system*. In that sense, it is more democratic compared to institutions such as the World Bank, IMF, ADB and others where voting is weighted by the amount of financial contribution. Countries can take recourse to the DSM of the WTO where there is a transparent system and procedure to get redress. Evidence suggests that, overall, removal of non-tariff barriers (NTBs) and tariffication of NTBs, gradual reduction of tariffs and trade liberalisation lead to increased trade and investment, and developing countries, as also developed ones, have made significant gains from it.

Developing country and LDC members of the WTO draw significant benefits from different special and differential provisions including the various international support measures (ISMs) that are anchored in WTO rules, including duty-free and quota-free access in major markets, technical assistance, aid for trade and waivers and flexibilities provided under the various WTO agreements. Bangladesh, as is well-known, has reaped significant benefits from ISMs including the SDTs under the various WTO agreements.[12]

For developing countries, including Bangladesh, a reformed WTO that preserves the core MFN and national-treatment principles, and at the same time maintains the ISMs and SDTs, is no doubt the preferred option. Study using a panel of 178 countries over the period of 1980–2016 show that, on average, GATT/WTO membership increases trade between members by 171 per cent and trade between member and non-member by about 88 per cent compared to non-membership (Larch et al., 2019). Furthermore, WTO membership lowers trade costs and is associated with higher trade and welfare gains by giving exporters predictable market access anchored in multilateral rules. From 2000 to 2016, the overwhelming majority (79 per cent) of

[11]The MPIA is a temporary, voluntary WTO mechanism under Article 25 of the WTO's *Dispute Settlement Understanding* that allows participating WTO members to deal with appeals in trade disputes in the absence of a functioning *Appellate Body*.

[12]There are 169 SDT provisions as part of the 16 major WTO Agreements, of these 25 are LDC-specific.

WTO members experienced a significant decrease in trade (export and import) costs as a result of WTO membership, with most of the largest positive impacts observed in developing countries (Yalcin et al., 2022). For example, the WTO *Trade Facilitation Agreement* (TFA) is expected to increase global trade by about 1 trillion dollars and create 20 million jobs, mainly in developing countries (ICC, 2017). Quantitative assessments suggest that relative to a counterfactual of no WTO, WTO was able to raise exports by roughly 35 per cent on average and helped to increase per-capita GDP by about 4 per cent.

It is estimated that dissolving the WTO without a comparable replacement would reduce developing-country exports of non-fuel goods by about one-third relative to a status quo WTO scenario, by 2030. This implies that having the WTO allows to avoid significant losses (Oxford Economics, 2024).

To be true, while LDCs and developing countries have benefitted from the ISMs and SDTs in the WTO, many of the preferences are conferred by members on bilateral basis (e.g. LDC-specific preferential market access). Preference — providing countries are required only to notify the WTO about such schemes. To recall, attempts at providing duty-free market access to the LDCs for goods and services within the ambit of the WTO have not met with success. For example, the decision of the Hong Kong Ministerial Conference of the WTO (MC-6) as regards duty-free quota-free market access could not be materialised in the end. Same is the case with the preferential services market access for the LDCs. Many of the SDTs for the LDCs remain on paper only. Aid for trade, technical assistance, and capacity-building support to LDCs, to help them avail of SDT provisions, have been far from adequate. Successive action programmes for LDCs have failed to deliver the expected results.[13] To also note, graduating LDCs want new ISMs to help them ensure smooth and sustainable graduation and deal with challenges of preference erosion and loss of ISMs. WTO is the platform where they can raise these issues, discuss those and negotiate some results and outcomes.

For Bangladesh, a credible reform of the WTO appears to be the preferable option. It is estimated that the loss of LDC preferences in markets such as the EU, Canada and Japan could raise tariffs on Bangladeshi exports by up to 12 to 18 percentage points and reduce export earnings by as much as 8.7 per cent if not offset by new agreements and support measures (Rahman and Bari, 2018). A reformed stronger WTO with updated rules on subsidies, digital trade and sustainability standards would help Bangladesh negotiate extended preferences or alternative schemes. Institutional continuity of the WTO would also reduce the risk of unilateral tariff actions, be it in the form of reciprocal tariffs or *Carbon Border Adjustment Mechanism* (CBAM)-induced carbon tax. Mitigating measures and technical-financial-capacity building support may be negotiated to deal with those concerns if there is a global platform such as the WTO. As in case of the Trade Facilitation Agreement (TFA), compliance could be linked to technical and financial assistance. A restored dispute-settlement system would give Bangladesh legal recourse in case it faces discriminatory measures. As a non-LDC, following its graduation, Bangladesh is likely to face and deal with many trade-related disputes.

Scenario 2: Dissolution of the WTO And Replacement by a New Multilateral Institution

A second scenario floated in some policy circles is to go for the dissolution of the WTO and replacing it by a newly negotiated global trade organisation which would be tuned to the

[13] *The Programme of Action* are pledges and commitments that are made at summits of Heads of Governments held every decade to design programmes of actions in support of the LDCs. The last one, the fifth United Nations Conference on LDCs (LDC5), was held in Doha, Qatar in March 2023 with adoption of the Doha Programme of Action 2022-2031 (United Nations, 2023).

demands of the twenty-first-century realities. Just as WTO replaced the GATT regime which was Round-focused[14], lacked coherence and balance, devoid of an institutional structure, comprehensive regulatory coverage and a robust dispute settlement mechanism. GATT focused mainly on trade in goods, and did not encompass services and intellectual property in a unified and comprehensive framework. After eight Rounds it was felt that the GATT had served its purpose, and a new institutional architecture was needed to deal with emergent issues and areas. This, as may be recalled, led to the establishment of the WTO in 1995.

WTO's dissolution could take place either abruptly, through global trade war among major powers, or by way of a more gradual erosion of trust in the institution (Oxford Economics, 2024). In this scenario, according to the aforesaid report, governments increasingly disregard WTO commitments, resort to unilateral tariffs and security-based exemptions. Countries see regional and bilateral deals as the way to go forward, not adhering to disciplines and complying with obligations under WTO Agreements. Whilst not officially terminated, WTO becomes toothless and hollow. The report speculates that there is likely to be a lengthy interim period in which no fully effective multilateral regime exists. However, higher trade costs and uncertainty will have long-lasting adverse effects on trade, foreign direct investment (FDI) and productivity. The study estimates that, under this scenario, by 2030, developing-country exports of non-fuel goods could be around one third-lower than under a rules-based WTO baseline, with South Asia and sub-Saharan Africa being particularly exposed to vulnerabilities and risks. It estimates that FDI inflows to developing countries would be roughly 5 per cent lower and labour productivity about 3 per cent lower than in the WTO-baseline world, leading to GDP losses that slow or reverse the process of trade-led convergence (Oxford Economics, 2024).

For Bangladesh, a dissolution-plus-transition scenario would be particularly challenging. Under such a scenario, developed and developing countries will be more prone to reciprocal and transactional relationship. Weaker economies will be forced to go for bilateral and regional negotiations, on the basis of *full reciprocity*, or, at best, *less than full reciprocity*. Weaker economies will face disadvantage on both counts — for any preferential access they would be expected to offer the same (or somewhat less) to the trading partner, and stringent regulations will be imposed without supportive technical and financial assistance. In view of this possible scenario, Bangladesh's sustainable LDC graduation will be under threat as there will be no platform to discuss and negotiate a set of ISMs for the graduating LDCs. Bangladesh will face stiff competition from countries such as Vietnam, which already benefit from regional agreements such as the EU-Vietnam FTA.

Smaller developing countries are likely to be sidelined and marginalised in the discussion concerning any successor organisation since negotiations are likely to be driven primarily by major trading powers. LDCs and developing countries would need to pursue targeted and coordinated coalition-building to safeguard their interests. However, this will be difficult since powerful trading blocs could see this as an opportunity to get rid of the SDTs, the economic burden of which they are expected to bear.[15]

[14]GATT Negotiation Rounds. The WTO was established in 1995 following the GATT Uruguay Round (1986-1994), the eighth GATT Round that was concluded with the Marrakesh Agreement that founded the WTO.

[15]This is not to undermine the importance of the broader picture. Developing countries are major markets of developed countries. If the former develops, it creates more opportunities for trade and investment for the latter group of countries. There is, thus, an 'enlightened self-interest' angle to it as far as developed economies are concerned.

Scenario 3: A New Multilateral Trading System That Excludes the United States

The third plausible scenario that some analysts would like to consider is a new multilateral trading system with membership of countries that are willing to uphold non-discriminatory rules, and bars countries that are prone to arbitrary, self-benefiting measures. Such a system could potentially exclude the country which has demonstrated the keenest interest to pursue unilateral tariffs and non-MFN deals, i.e. the United States.

In one sub-plot of this scenario, the United States is effectively pushed out of the WTO itself. A widely discussed proposal in this regard is to use Article X of the WTO Agreement, which governs amendments, to introduce provisions that would allow for the suspension or expulsion of a member that systematically violates core obligations of the WTO such as MFN or dispute-settlement commitments. Theoretically, as per WTO rules, members could adopt such an amendment by a two-thirds majority. If the United States refuses to accept it, this serves as grounds for suspension or termination of its membership, drawing on general international-law principles on material breach.

To note, expulsion of a member has no direct precedent in WTO practice. Also, this would be politically explosive given that USA is the world's leading economy, trade powerhouse and has bilateral leverage on many countries. The scale of US non-compliance, as demonstrated by the blockage of Appellate Body appointments and repeated use of 'reciprocal' tariffs far above bound rates, have no doubt fuelled this unlikely outcome. However, some commentators have argued that such exceptional measures should at least be contemplated and be not left out of possible options (Hopewell, 2025).

A second variant draws on a proposal associated with the Canadian Prime Minister Mark Carney. Carney floated the idea that the world's largest trade blocs – most notably, the EU and CPTPP– come together and join forces to form a new multilateral coalition. There is no doubt that acting collectively, such a group would be quite a formidable force and command far greater bargaining power than any country could achieve on its own. Economist Anne Krueger (2025) proposes embracing Carney's initiative and forming a new *Global Trade Organization* (GTO) that would bring together economies committed to WTO-style rules but shielded from the US veto power[16]. Since the US accounts for about 8.5 per cent of global exports, while China's share is roughly 15 per cent in 2024 (WTO, 2025a), with the prospective GTO accounting for about 60 per cent of international trade, its collective bargaining power would far exceed that of the US. This would not only render Trump's divide-and rule tactics ineffective but may also persuade American policymakers to eventually return to rules-based cooperation under the rubric of the WTO (Krueger, 2025).

Hung Tran (2025) argues that already plurilateral and regional arrangements are being increasingly used as functional alternatives to a paralysed WTO. In the wake of unilateral US tariffs and threats to withdraw from the WTO, global trade is bifurcating into trade with the US (increasingly shaped by unilateral measures and bilateral bargains) and trade among others, who deepen ties through RTAs, mega-regionals and issue-based coalitions to cushion the shock and reconfigure supply chains.

This dynamic could become increasingly evident in broader economic governance. An example is the 2025 G20 summit in Johannesburg which adopted a declaration on climate, energy

[16]Although, theoretically, all decisions in the WTO are traditionally taken on the basis of consensus.

transition and debt relief without US participation. The South African officials explicitly insisted that the multilateral platform 'cannot be paralysed on the basis of the absence of someone who was invited' ('G20 South Africa–US boycott: What's at stake?', 2025). This illustrates how major economies are increasingly willing to move ahead in club settings even when a key power dissents. This logic may very well spill over into trade, climate and industrial-policy coordination outside the WTO.

For developing countries, a multilateral system without the United States has both potential benefits and significant risks. On the positive side, if large economies such as the EU, China, Japan and major emerging markets maintain WTO-style MFN rules and a functioning dispute-settlement system mechanism, they could ensure much of the predictability and legal security that underpin trade and investment as espoused by the WTO. Simulations in the WTO's Global Trade Outlook suggest that, in scenarios where tariff wars are primarily confined to a subset of major economies, while others keep their markets relatively open, there can be sizeable trade diversion towards markets with lower policy uncertainty and more stable rules (WTO, 2025a). This implies that a rules-based coalition could attract trade and investment away from the United States. This is particularly so in sectors where long-term contracts and value-chain integration matter.

On the negative side, the United States remains a critical market for many developing countries. For Bangladesh, US is its single largest market and the EU and the US together account for around two-thirds of the country's total exports, with the EU countries' share being nearly half in recent fiscal years. In a scenario where the United States either leaves the WTO or stands outside a new rules-based club, countries such as Bangladesh would have to manage a dual system: a multilateral rules-based framework for trade with the club members, and a more transactional, power-based relationship with the United States. In such a scenario negotiation over tariffs and rules was likely to be highly politicised. The US is unlikely to sit idly when this type of attempts are made. It would not like to be sidelined and was likely to desist and resist any such move.

As is to be noted, the reduction of the proposed US 'reciprocal' tariff on Bangladesh's exports, from 35–37 per cent to around 20 per cent, entailed a package of concessions that Bangladesh had to offer to the US, agreeing to a *non-disclosure agreement* (NDA) which was in force during the duration of the tariff talks: commitments to import several hundred thousand tonnes of US wheat was made, often at prices 20–40 dollars per tonne above Black Sea alternatives; purchase of 25 Boeing aircraft was also made by Bangladesh, which is not a priority for Bangladesh (Paul, 2025). While Bangladeshi officials publicly deny that there was any 'secret deal' tying these purchases directly and contractually to reduction of the RT, the timing and structure of the package have been widely interpreted by analysts as evidence of the asymmetry in bargaining power: to secure a less-damaging 20 per cent tariff, Bangladesh had to agree to expand imports from the US in ways that may not be commercially optimal for the country.

For Bangladesh, a post-US rules-based organisation centred on the EU and CPTPP economies would likely accelerate its strategic pivot towards Europe and other organisational members. This is particularly so since it seeks to lock-in post-graduation GSP-type access to the EU market (Meghoma, 2025), and also because it is contemplating to open FTA discussion with ASEAN/RCEP, many members of which belong to CPTPP. At the same time, maintaining competitiveness in the US market, which remains Bangladesh's largest buyer, would require continuous bilateral engagement under conditions of asymmetric bargaining power. In such a scenario, bilateral power exerted by the US will continue. The risk of new US tariff waves or product-specific

measures could undermine Bangladesh's competitive edge and interest without effective legal recourse. All these will pose formidable challenges for Bangladesh's policymakers.

Scenario 4: Plurilateralising the WTO

The fourth scenario is built on survival of the WTO while its negotiating function is being increasingly organised around *open plurilateral agreements* (OPAs) and *Joint Statement Initiatives* (JSIs). These would concern particularly new issues such as e-commerce, investment facilitation, services domestic regulation and digital trade and rules affecting micro, small and medium-sized enterprises (MSMEs), issues around which many countries are conducting plurilateral discussions at the moment. In this scenario, coalitions of the willing move ahead on specific topics, while non-participants remain bound only by the older multilateral rules.

The attraction of this scenario lies in the long-standing paralysis of the consensus-based, single-undertaking negotiations. In its thirty-year-long existence, the WTO has concluded only two fully multilateral agreements by consensus: the Trade Facilitation Agreement in 2013 and the (partial) Agreement on Fisheries Subsidies in 2022 (Fish 1.0). Most other rule-making initiatives have either stalled or shifted into deeper regional and preferential trade agreements (Grieger, 2024). Proponents argue that where the guiding WTO principle of *nothing is agreed until everything is agreed* has stalled, plurilaterals allow willing members to move forward, rather than see all new trade rules written outside the WTO altogether. Historically, plurilateral cooperation is not new. Under the GATT `*Tokyo Round'*, a number of codes, such as the original Agreements on Technical Barriers to Trade and Import Licensing, which were initially binding only on signatories, were later multilateralised when the WTO was created (Boklan et al, 2023). As noted earlier, under current dispensation of the WTO, plurilaterals are allowed – it has to cover substantive part of trade, and has to be endorsed by WTO members on the basis of consensus of all member countries.

Recent JSIs can be seen as an attempt to replicate this club approach' under the auspices of the WTO. Hoekman and Sabel (2021) argue that, if designed as open plurilateral agreements anchored in the WTO, JSIs could revitalise the organisation by providing issue-specific frameworks for cooperation, built around transparency, peer review, regulatory learning and tailored implementation mechanisms, rather than relying heavily on traditional dispute settlement. In their view, OPAs can complement rather than replace multilateral rules, helping to manage new forms of policy spillover (e.g. in digital trade, investment facilitation) without forcing all 166 members to move at the same speed. In a world where the US–led tariff war and Appellate Body paralysis have undermined the core multilateral regime, carefully crafted plurilaterals and regional initiatives can cushion shocks and prevent further erosion of rules-based trade, although such a system will at best be an imperfect substitute for multilateralism in areas that require global responses (Tran, 2025).

However, there is strong criticism regarding both the legal legitimacy and development implications of JSIs. Kelsey (2022) argues that many JSIs conflict with the Marrakesh Agreement's foundational norms of multilateralism, member-driven consensus and SDT. First, Article III:2 envisages negotiations on WTO matters 'among its Members' and within mandated bodies. JSIs are launched by self-selected groups without a consensus mandate from the Ministerial Conference or General Council, effectively running parallel to existing Doha-era negotiating mandates on issues such as e-commerce and domestic regulation. Second, proponents seek to bring JSI outcomes into the WTO by inscribing broad, cross-cutting disciplines as 'additional commitments' in GATS schedules under Article XVIII, thereby bypassing the formal amendment

procedures of Article X that were designed for new rules of general application. Kelsey (2022) stresses that Article XVIII was never intended as a vehicle for rewriting core obligations, but for sector-specific commitments, and warns that this back-door strategy would set a precedent for self-selecting groups to legislate on an unlimited range of matters without securing multilaterally agreed mandates. This could open the door for group-centric and issue-specific multiple trading systems, undermining the core mandate of the WTO.

Beyond these legal concerns, critics emphasise the systemic risk that plurilateralising the WTO will entrench an inclusion–exclusion divide between major powers and the majority of developing countries. While it is recognised that JSIs have unlocked negotiations in new areas, it is also apprehended that negotiating resources will be diverted away from mandated Doha issues such as agriculture and development, eroding the single-undertaking bargain developing countries were promised (Boklan et al., 2023). Analysts argue that open plurilateralism risks restoring a GATT-style 'club' system in which powerful members set the rules, while most developing and LDCs, who rely on issue-linkage and consensus to secure concessions, are relegated to rule-takers with little leverage over an already agreed agenda (Kelsey, 2022).

A similar 'club-based' dynamic is visible as regards the dispute settlement system in the form of the aforesaid MPIA. As noted earlier, following the paralysis of the Appellate Body, a group of 15 WTO members led by the European Union created the MPIA in 2020 as an opt-in appeal arbitration mechanism under the DSU Article 25.[17] Participating members commit not to appeal panel reports 'into the void' and instead to submit any appeal between them to arbitration that replicates, as far as possible, the substantive and procedural features of Appellate Body review (Pauwelyn, 2023). As of 2025, more than 50 WTO members, including the EU, China, Brazil, Canada and several developing countries have joined the MPIA club, covering 57.6% of the world trade. Others, such as the United States, India as also many low-income countries, remain outside of this system (Directorate-General for Trade and Economic Security, 2025). It is of interest to note that here the participating members are not divided along the north-south divide.

A sub-scenario of this scenario envisages a world in which the WTO neither fully reforms nor collapses, but is gradually overshadowed and overwhelmed by a dense web of mega-regional and new generation free trade agreements covering global south, but also building on north-south nexus. Examples are CPTPP, RCEP, AfCFTA, USMCA, and increasingly deep ASEAN and EU arrangements. Digital economy agreements and issue-based clubs like the G20 or the proposed Future of Investment and Trade Partnership (FIT-P) may also dominate alongside. In this world, the WTO remains a baseline provider of transparency and a floor for tariff bindings, but the most dynamic rulemaking on services, investment, intellectual property, sustainability standards and digital trade occurs outside multilateral institution, within regional platforms.

For developing countries, such as Bangladesh, a plurilateralising WTO creates a structural inclusion–exclusion dilemma. While joining JSIs could offer early access to new rulemaking in such areas as digital trade, investment facilitation or services regulation, whether these would be linked to promises of capacity-building, technical assistance, and easier integration into global value chains, however, is not clear. The substantive templates for these initiatives have largely been shaped by the OECD economies and draw heavily on prior FTA and OECD norms, with only limited and often shallow SDT for developing countries (Kelsey, 2022). Implementing such disciplines may require significant administrative overhaul and can narrow policy space

[17]To note, even though the MPIA is formally 'interim' and voluntary, it already functions as a cooperative enforcement that partially restores the two-tier dispute settlement system for its participants.

in sensitive areas such as data governance, localisation, performance requirements or public-interest regulation, especially for countries still building digital and regulatory capacities.

For Bangladesh, navigating a plurilateralising WTO would thus require careful, issue-by-issue choices rather than a blanket embrace or rejection of JSIs. On the one hand, participation in initiatives on investment facilitation or services domestic regulation could help attract FDI, reduce behind-the-border frictions for exporters and signal regulatory predictability to partners, particularly in the context of post-LDC graduation. On the other hand, signing on uncritically to far-reaching digital trade or investment rules could limit the use of industrial policy tools such as data-localisation or technology-transfer conditions that may be needed for industrial upgrading and digital transformation. Remaining outside key plurilaterals, however, could, over time, leave Bangladeshi firms operating under legacy disciplines while competitors in participating countries benefit from preferred regulatory frameworks and deeper integration into new value chains. Strategically engaging only in plurilaterals that explicitly guarantee development flexibilities, strong capacity-building provisions and carve-outs for LDCs and recent graduates will therefore be crucial if Bangladesh is to avoid becoming a passive *rule-taker* in a plurilateralised WTO. To recall, Bangladesh has not been participating in many of the plurilateral discussions taking place at the moment.[18] It is reckoned that for reasons mentioned above, Bangladesh should take a proactive interest in these discussions to safeguard its interests and have a voice in the rules prepared in view of plurilateral agreements.

Scenario 5: A Coalition of the Global South Under the Ambit of Broader WTO

A fifth scenario concerns the emergence of a more collaborative cohesive coalition of Global South economies that takes cognisance of the crisis of the WTO and the US policy of unilateral actions both as an opportunity and as a catalyst to deepen South–South cooperation and build alternative governance structures. The Trump RTs, paradoxically, transmits an opposite signal to countries of Global South. These countries are increasingly understanding about the danger of focusing only on European and north America markets. They are realising the importance of diversifying away from over-reliance on traditional Western markets and forging new partnerships among themselves. The tools are many including through regional trade agreements, currency-swap arrangements, and investment in South–South infrastructure.

It is being felt that US aggressive trade actions are not only directed at its rivals such as China but increasingly also at large emerging economies such as India and Brazil, both of which have been hit with 50 per cent additional tariffs. Along with upcoming reciprocal tariffs on close partners such as the EU and Canada, the United States has urged them to impose 100 per cent duties on Indian and Chinese exports (Sweney, 2025). These developments illustrate how US trade policy is being weaponised to discipline foreign policy choices. The collapse of the boundary between economic and security policy as spearheaded by the US has induced many developing countries to seek stability and trade-related predictability by decoupling from US-centric

[18]Bangladesh has consistently refrained from participating in WTO plurilateral initiatives, citing limited preparedness and insufficient assessment of their implications. Bangladesh formally objected at the WTO General Council meeting of 17–18 February 2025 to the inclusion of the e-commerce Joint Statement Initiative under Annex 4 of the Marrakesh Agreement, stating that it had not adequately studied the potential impacts. No consensus has been reached on incorporating the e-commerce initiative into the WTO framework to date. Bangladesh remains among a small group of twelve WTO members that are not party to any ongoing plurilateral negotiations, four of which are from South Asia (Bangladesh, India, Nepal, and Sri Lanka). To also note, of the 127 members of the Joint Statement Initiative on *Investment Facilitation for Development* (IFD), 27 are LDCs (WTO, n.d.b).

supply chains. The motivation is to strengthen intra-South cooperation as a countermeasure to the above. Obviously, deepening intra-BRICS cooperation is one reason, but another reason is forgoing broader global south concentration by bringing on board other countries. Here RCEP and *Shanghai Cooperation Organization* (SCO) and various other regional initiatives could serve as anchor points for broader South-South trade cooperation and economic integration.

Such actions could accelerate what some analysts have coined as *Non-Alignment 2.0* - a strategic balancing strategy in which Global South economies engage opportunistically with multiple major powers, leveraging geopolitical competition to secure better trade, investment, and policy outcomes. Some analysts distinguish this from Cold War era version of non-alignment by noting that the modern variant is less about neutrality and more about maximising strategic autonomy. India, Brazil, ASEAN economies, and several African and Latin American states are using this moment to take advantage of growing regional demand, consolidate intra-South supply chains, and build resilience against unilateral and also at times combined assault by western powers, epitomised by US-RTs (Choudhury, 2025).

The Global South coalition, from institutional vantage point, could take several forms. One possibility is a more flexible alignment within the existing WTO, where developing countries coordinate more strategically and systematically through negotiating blocs. Under such a scenario deliberate and conscious steps are taken to strengthen blocs such as the G90 and G77. New issue-based alliances to are also built to advocate for reforms on SDT, agricultural support and digital trade rules issues that are of interest to developing countries of global south. A more far-reaching option would be the development of parallel structures outside the WTO, for example regional or cross-regional agreements with their own dispute-settlement systems, regulatory frameworks, mutual recognition and accreditation agreements, and financial facilities. With the expansion of BRICS, which now includes Saudi Arabia, Egypt, and the UAE, and the increasing weight of the RCEP, these alternative architectures are gaining traction and more credibility.

The weakening of the WTO, against the backdrop of a dysfunctional Appellate Body and escalating tariff disputes, is creating additional incentives for Global South countries to pursue alternative governance mechanisms, including new lending arrangements, new platforms for financial transactions and deeper discussions on de-dollarisation. The recent SCO (Shanghai Cooperation Organisation) summit, attended by leaders from 20 countries including those of India, China, and Russia, pledged to resist Cold War mentalities and committed to significant development financing for member states. This is indicative of an alternative international order emerging that showcases the SCO as a model for international cooperation which is more inclusive (in global south sense) and is less dependent on US-led institutions (Sergi and Pearl, 2025).

For developing countries, the benefits of a Global South coalition will depend significantly on how it is framed and designed. As is known, in recent past, South–South trade has been on the rise; pivoting towards these markets could reduce exposure to unilateral Western tariffs. However, structural constraints remain: many Global South economies compete in similar export products such as raw materials and fuel, textiles, agriculture, and low-value manufacturing, limiting the extent to which intra-South integration can substitute for stable access to OECD markets. Moreover, divergent regulatory standards emerging across parallel south-based institutions may raise compliance costs for exporters navigating multiple trade and also investment regimes.

In general, RTAs are, as was noted earlier, *WTO plus* and contribute to deepening of trade cooperation. But under this scenario, it is envisaged that appetite for WTO reforms is weak and members rely more on regional agreements in terms of market access, rules-setting etc. While it is true, one would need to be reminded that many ISMs such as DF-QF market access are provided on unilateral initiative, not as part of WTO Agreement on market access. Rather such unilateral initiatives may be formalised through BFTAs or RFTAs (although this will entail offer of full or less than full reciprocal access to the partner country). On the other hand, waivers from TRIPS (for pharmaceuticals, for example) can still be negotiated under the aegis of the WTO. Furthermore, regional integration, especially when it deepens into customs unions and common markets, can provide a way to generate trade creation, economies of scale and regulatory experimentation that multilateralism has struggled to deliver. The EU, ASEAN Economic Community (AEC) and Eurasian Economic Union (EAEU) can be presented as some notable examples of customs unions/common markets where deeper regional integration has delivered significant trade and investment gains and attracted FDI, particularly when combined with improved infrastructure and trade-facilitation measures. However, it is important to note that such advanced stages of integration require far greater structural convergence economically, politically and socially than what is required to sustain a free trade area (Tran, 2025).

New regionals can also incorporate labour and environmental standards, digital-trade rules and cooperation on taxation or climate that are practically impossible to negotiate in a 166-member forum. From this perspective, competitive regionalism can spur innovation in rules and governance, even if at the cost of fragmentation, while providing some stability in an era of great-power rivalry and WTO stagnation.

The interface between the WTO and deepening of regional integration through the RTAs could also be reinforcing and complementary. In this connection, Baker (Baker, 2025) argues that obligations originating from, for example, WTO's comprehensive Trade Facilitation Agreement and the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific both seek to harmonise regulatory standards, simplify customs procedures and create interconnected single windows. These two could thus be mutually reinforcing and contributing to greater regional integration within the APTA. In its turn such integrated RTAs could be building blocs towards a broader, freer and rules-based multilateral trading system as envisaged by the WTO.

For developing countries such as Bangladesh, this scenario again creates an inclusion–exclusion dilemma. On the positive side, mega-regionals and AfCFTA-type initiatives can offer improved market access, larger integrated markets, more predictable regulatory environment and potential leverage for industrial upgrading. Yet the risks are also substantial. First, the proliferation of overlapping RTAs with different rules of origin, standards and regulatory standards complicates trade for firms with limited administrative capacity, particularly SMEs in poorer countries. The WTO describes this as a tangled *spaghetti bowl of* overlapping trade regulations (WTO, n.d.c). Furthermore, countries left outside major mega-regionals may face trade and investment diversion as value chains re-route through club members, with little recourse to the WTO if its negotiating and dispute-settlement functions remain weakened. Magee's (2025) findings suggest that as governments invest diplomatic and political capital in RTAs, their willingness to cooperate within the WTO declines, making it harder to secure multilateral outcomes that could mitigate such exclusion effects.

For Bangladesh, participation in a more assertive Global South coalition offers a mix of opportunities and constraints and challenges. On the opportunity side, deeper integration with

regional partners through SAFTA, BIMSTEC and new plurilateral arrangements could help diversify export markets and strengthen bargaining coalitions on issues like LDC graduation and climate-related trade measures for such climatologically vulnerable countries as Bangladesh. Bangladesh could also leverage South–South initiatives in infrastructure, digital connectivity, and supply chain development to reduce reliance on Western markets. Through triangulation of trade, investment and transport connectivities, these countries can translate their comparative advantages into competitive advantage as far as southern markets are concerned. On the constraint side, Bangladesh's concentrated export structure, especially its dependence on export of garments, means that it competes directly with other Global South exporters such as Vietnam, India, and Cambodia, many of which already enjoy stronger preferential access in key markets thanks to various RTAs. Without substantial upgrading and product diversification, Bangladesh is likely to struggle to capture the full benefits of South–South realignments.

Additionally, if emerging Global South blocs adopt regulatory standards that diverge from OECD norms, Bangladeshi firms may face higher compliance costs when operating across multiple standards regimes. At the same time, the upcoming LDC graduation, loss of preferential market access, mainly in northern countries, and the resultant need to reposition and restructure the economy could also serve as an opportunity for Bangladesh to leverage greater South-South cooperation.

Generally speaking, for Bangladesh, a rule-based multilateral trading system, as represented by the WTO, is preferable. At the same time, WTO is demonstrating its limitations. While a consensus-based organisation is to Bangladesh's benefit, the slow pace of decision-making under such a dispensation is also not to its best interest. It is likely that in at least foreseeable future it will be regionalism and regionalisation which will be in the ascendancy, and Bangladesh will need to get actively involved in these. It will have to be ready for 'WTO-plus' disciplines on investment, IP enforcement, procurement and regulations that could narrow its development policy space. For Bangladesh, a competitive-regionalism world would heighten the urgency of a proactive regional and inter-regional strategy. Bangladesh is currently outside the major mega-regionals like CPTPP and RCEP. As these blocs deepen and as AfCFTA and other regional projects mature, rules of origin, labour and environmental standards, digital-trade norms and investment disciplines negotiated in those platforms could increasingly shape the conditions of market access—even for non-members. Being absent from these processes risks preference erosion, trade diversion from Bangladesh and reduced attractiveness of the country for FDI, especially after LDC graduation when unilateral schemes are scaled back and subsequently not available at all.

Regionally, this scenario underscores the importance of revitalising and deepening South Asian arrangements such as SAFTA and BIMSTEC, exploring targeted digital and services agreements with key partners, and carefully monitoring mega-regional rulemaking to identify where alignment, selective accession or strategic avoidance best serve Bangladesh's long-term development and industrial-upgrading goals.

US Communication and Likely Evolution of the MTS

It is rather difficult to forecast how the actual scenario as regards the multilateral trading system (MTS) will play out in future. However, the communication from the United States, submitted on December 15, 2025 to the WTO General Council, for circulation, provides several important insights as regards the approach and direction of thinking on the part of the United States. The US Communication raises a number of issues that question some of the basic tenets of the WTO:

its mission, its principles, its decision-making process and modality, its remit of function and mandate, and relevance of the WTO to itself in the present context. All these have important implications for the above-mentioned anticipated scenarios. US has made its position clear — 'if WTO is to have a future as a negotiating forum, it is likely to be for plurilateral negotiations'.

The communication's key arguments are presented below since it will provide Bangladesh's policymakers and negotiations a clear idea about the possible stance to be taken, arguments to be presented and strategies to be pursued by US delegation at MC14.

Redefining WTO's Purpose

The 15 December 2025 communication (WT/GC/W/984) of the United States to the General Council reads less like a technical reform note and more like a strategic signal indicating the conditions under which Washington still considers the WTO to be worth engaging with. It frames the WTO as only 'one of the tools available to economies,' and argues that the trading system as embodied by the WTO has 'overseen and contributed to' a world of 'severe and sustained imbalances', which the US links to overcapacity and the concentration of production in certain WTO member countries (implicitly pointing towards China). In this framing, the central problem is not marginal rule gaps, but a structural mismatch between WTO disciplines and an era of what the US describes as 'deepening divergence among economic systems' (WTO, 2025e).

A particularly consequential element is the US challenge to the MFN baseline itself. The communication argues that MFN was built for an earlier period of convergence and that, in the current context, 'trading nations must be able to treat different trading partners differently'. It goes further to claim that MFN 'impedes welfare-enhancing liberalisation' by locking countries into an 'all-or-nothing' negotiating logic, which 'typically ends in 'nothing'. The communication argues that 'given the distinction between developed and developing status is now blurred, it is time to recognise the necessity of allowing all Members to enter into mutually beneficial agreements that may not extend to every Member', thereby offering an explicit conceptual justification for its unilateral reciprocal tariffs and differential treatment of trading partners.

The communication also questions institutional roles and boundaries. It insists that the Secretariat should be 'fundamentally administrative' and criticises it for allegedly seeking to influence the agenda and outcomes. The communication observes that the WTO 'has assigned to itself a growing role in monitoring and commenting on Members' trade-related measures, including by judging whether those measures restrict or facilitate trade' although these roles 'belong only to Members, not the Secretariat'.[19]

The US reiterated its hard line on the essential security exception, arguing that panels have inappropriately claimed authority to judge actions that Members deem necessary for essential security interests. The communique states that 'judgments on matters of essential security are to be left to governments and not adjudicators' and criticises recent jurisprudence in which 'WTO panels have interpreted WTO rules to find that it has the authority to pass judgment on actions determined by Members to be in their essential security interests'. The implication is that WTO adjudication should not 'second-guess' sovereign determinations, particularly where trade measures are framed as security-motivated.

[19]This critique is, in all possibility, directed towards the leadership of Director-General Ngozi Okonjo-Iweala, reinforcing long-standing US discomfort with what it perceives as Secretariat activism rather than neutral facilitation (Kanth, 2025a).

Trade Liberalisation Versus Resilience and Economic Security

The US argues that the WTO has 'overseen and contributed to' a world of 'severe and sustained imbalances.' These imbalances are linked to a core diagnosis: the 'pervasive use of non-market policies and practices' which according to the US was the 'root cause' of systemic problems, specifically 'overcapacity and overconcentration of production'. The communication illustrates this with examples from industries and argues that production concentration creates 'dangerous vulnerabilities' that are 'exploited and weaponised'. The argument is therefore not framed as a narrow competition or subsidy complaint, but as a systemic critique of non-market economic models and their geo-political consequences.

The submission observes that multilateral rulemaking cannot address these problems unless relevant Members benefiting from such practices agree to fundamental economic changes. Since there is no prospect of such agreement, the US concludes that any WTO negotiation would inevitably result in 'watered-down obligations' and exploitable 'grey zones'.

The US also reframes the trade-off between *liberalisation and resilience*. It argues that the WTO has a 'long-standing bias toward trade liberalisation rather than resilience', assuming production should occur in the 'lowest-cost location'. According to the communique, WTO systematically underweighs risk, dependency and distortion. It further insisted that the WTO is not a suitable venue for 'economic security' discussions because it has 'no competence on security matters', and because such discussions require trust and confidentiality among governments with 'shared interests', which a 166-Member body lacks. In this framing, supply chain resilience is presented as requiring the imposition of 'trade barriers on unreliable countries, subsidising alternatives, and allowing prices to reflect a true market outcome instead of unfair competition' (WTO, 2025e).

A Plurilateral-centric WTO and Selective Multilateralism

The US is explicit in demanding that WTO's negotiating modality be primarily plurilateral. The US argued that consensus among 166 Members on meaningful new rules is 'very unlikely', that 'members may have wrung all they can from multilateral negotiations', and that the 'path to plurilateral agreements is blocked' in a way that threatens the WTO's viability.

The communique goes on to state bluntly that 'if the WTO is to have a future as a negotiating forum, it is likely to be for plurilateral negotiations', and warns that if there is 'no path' for such agreements inside the WTO, 'trade negotiations will happen, but not at the WTO'. This functions as an implicit exit threat: the US signals its willingness to shift rule-making outside the WTO framework if its perceived institutional constraints persist.

A TWN (Third World Network) report has characterised this as a `maximalist' reform agenda: converting the organisation into a plurilateral negotiating platform, narrowing SDTs largely to LDCs, constraining the Secretariat to administrative functions, and re-interpreting core WTO principles such as MFN and consensus based decision-making process (Kanth, 2025b).

The TWN report draws attention to US's contradictory position and its dualistic approach to multilateralism. While arguing that multilateral negotiations are largely exhausted and unsuitable for addressing systemic problems, the US has simultaneously pushed for a permanent multilateral moratorium on customs duties on electronic transmissions, defying the MC13 decision to let the moratorium expire at MC14. This selective embrace of multilateralism, rejecting it where it constrains US policy space, but invoking it where it benefits its commercial

interests, particularly large digital firms, reinforces perceptions that the reform agenda is less about institutional coherence and more about reshaping the WTO around US strategic and economic priorities (Kanth, 2025c).

The EU Communication

The EU submitted its own communication (WT/GC/W/986) on 19 January 2026. The statement notes: 'The WTO is at a critical and, in fact, an existential juncture. Without a strong political commitment by the Membership to a process of deep and comprehensive reform, the organization will slide into irrelevance, and with that the rules-based global trading system will further erode'. The EU submission further observes that 'the crisis in the WTO reflects broader shifts in the global trade landscape' and that there is a 'growing mismatch between the current WTO rulebook and today's trade environment' which is 'further exacerbated by geopolitical tensions, the weaponisation of trade and tariff measures.' The EU submission repeats what the US submission had complained about in its own communication as a root cause for the crisis — 'increasingly impactful and far-reaching State interventions leading to overcapacities and systemic imbalances, with negative spillovers on other Members.' The submission states that 'WTO and its Membership therefore urgently need to deliver on a deep and comprehensive reform' (WTO, 2026).

The EU submission calls for a reformed WTO based on predictability, fairness and flexibility. It lends support to a rules-based MTS and a well-functioning DSM. The submission argues that negative trade effects of State interventions would need to be addressed through work in three areas: (a) transparency; (b) disciplines and (c) remedies. While conceding that SDT is necessary, the submission states that SDT should be targeted, and when possible, time-bound, and 'aim at providing an appropriate path to all Members to be able to ultimately comply with the same rules.' It argues that 'the current misguided practice of equating consensus with unanimity has resulted in paralysis.' The EU submission proposes that the work on WTO reforms should commence in April 2026 and the recommendations are to be submitted for adaptation by Ministers at the MC-15.

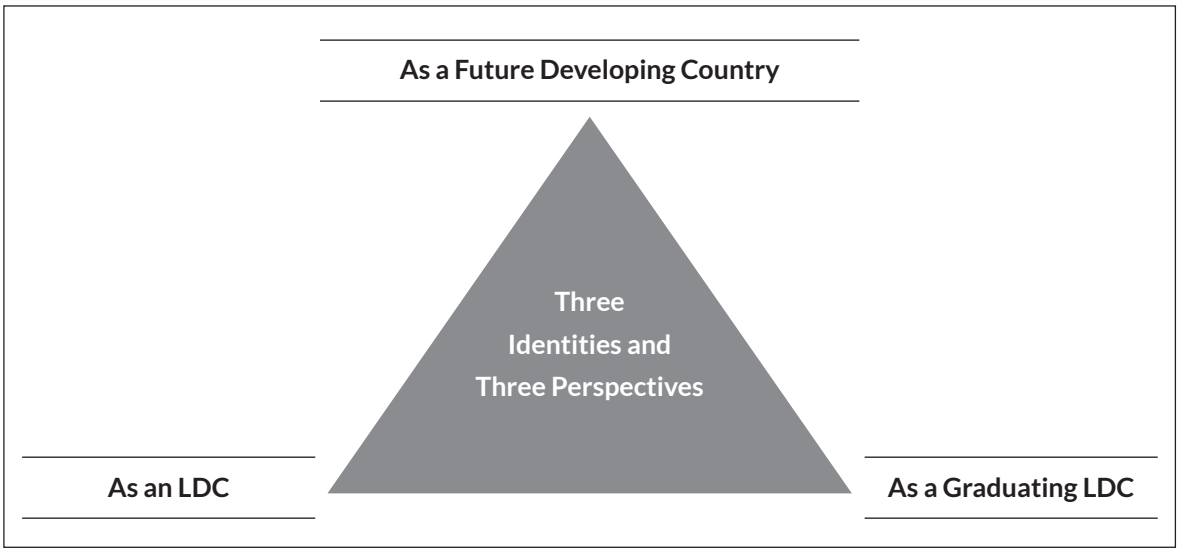
The submissions made by the US and the EU provide some idea about the direction the work on WTO reform was likely to take over the near-term future, if reform agenda is endorsed by Members at MC14. However, the root question that will need to be decided is what is a 'reformed WTO'? Will a plurilateralising WTO defeat the very purpose of a rules-based multilateral trading system and turn the WTO into a 'rich man's club'? On the other hand, without deep reforms powerful countries such as the USA will not be interested to stay in the WTO. The EU, while taking a somewhat moderate view, also subscribes to the need for deep reforms of the WTO. In some respect its observations and concerns are similar to those of the USA. Soon perhaps India and China will come up with their own versions of the reforms of the WTO which are likely to differ from those of the US and the EU in distinct and even fundamental ways.

Bangladesh will need to navigate this complex terrain very carefully. It should work with other members proactively for reforms of the WTO in a way that keeps in place the SDTs for weaker, left behind members, and at the same time is sensitive to the concerns of other Member countries. At the same time, Bangladesh should earnestly pursue flanking strategies in the form of open and active regionalism. Bangladesh should argue for plurilateral discussions to be accommodated within the WTO, but without plurilateralising the WTO itself.

Section 3: Bangladesh's Priorities in View of the Upcoming MC14

As was noted above, Bangladesh is graduating out of LDCs at a time when the MTS and the WTO are facing challenges on many fronts. As of now, the country has three identities (Figure 3). It is still an LDC - since proposals in support of graduating LDCs at MC14 will need to be submitted by the LDC group in the WTO, this identity is important; it is a GLDC, with interests in having a set of ISMs for these particular LDCs. And it is a future developing country and, as such, it will need to examine what takes place at MC14 with the lens of a developing country.

Figure 3: Bangladesh's Trinity of Identities



Source: Rahman (2025).

In the preceding section, Bangladesh's preferred options in view of the possible scenarios as regards future of the WTO have been discussed. Following section focuses on the current discussions taking place in the WTO as regards various reforms and what could be the Bangladesh's stance keeping the above considerations in the perspective. The section also evaluates the General Council agendas in view of MC14, with particular attention to items concerning smooth and sustainable transition of the GLDCs and effectiveness of the SDTs.

WTO Reforms

The current WTO reform discussions are structured around three interconnected tracks, building on initial consultations held in June and July 2025, and culminating in 'the Reform Week' in December 2025 aimed at refining reform elements for Ministerial consideration at the upcoming MC14. The overarching goal of the aforesaid consultations was to address structural challenges, modernise outdated rules, and correct systemic imbalances to build a more inclusive, fair, and resilient trading system. (WTO, 2025d; WTO, 2025f)

The reform process is organised into three distinct tracks, although Members acknowledge they are deeply interconnected.

- *Track 1 – Governance:* decision-making (including consensus and Article IX), negotiating instruments, existing agreements and negotiations, and dispute settlement.

- *Track 2 – Fairness:* transparency, development and SDT, market access (tariffs, reciprocity, NTBs), subsidies, unfair practices and level playing field.
- *Track 3 – Issues of Our Time:* supply-chain resilience, economic security, climate change, digital trade and artificial intelligence.

While members broadly accept the proposed structure, they have cautioned against a *Christmas Tree* approach in which every issue is treated equally. There is a strong preference for prioritisation, with Track 1 widely viewed as the core priority for the autumn/winter work leading to MC14.

Notably, news releases from the WTO describe the Reform Week outcome as 'constructive and positive', with 'tangible progress' made in moving from general reflections to specific reform options. However, some analysts paint a contrasting picture, with representatives from developing countries expressing concern that the reform process is increasingly top-down, non-transparent, and skewed toward the interests of major powers (WTO, 2025b; Kanth, 2025a).

The Reform Week (2–5 December 2025) consolidated the wide range of reform discussions into three focused thematic pillars: (a) Decision-making, (b) Development and SDT, and (c) Level Playing Field.

Decision Making Process

This thematic area falls under Track 1 (governance) which is currently considered as of highest priority by the WTO members. Across the first and second rounds, a shared baseline emerges: consensus remains the foundation of WTO decision-making and is not, in itself, under attack. At the same time, there is widespread concern that consensus is being used as a *de facto veto*, even where proposals enjoy near-universal support and impose no real cost on the objecting member. This contributes to institutional gridlock and leaves parts of the rulebook outdated.

The Reform Week note on decision-making process identifies a number of possible approaches for consideration for Ministers' post-MC14 work programme. These include:

- Reaffirm consensus but make it work better: Explicitly confirm that consensus remains central to WTO decision-making. Commission an evidence-based stocktake/audit of what has and has not worked, including unmet mandates. Explore whether procedural steps such as launching negotiations can proceed without strict consensus while preserving consensus as the overriding principle for taking decisions as regards final outcomes.
- Improve understanding of the problem: Systematically assess why Members disagree on whether there is a decision-making problem and what its causes are, and use that diagnosis to support a more inclusive and functional system for post-MC14 work.
- Explore flexibilities with guardrails: Consider opt-in/opt-outs, reservations, review clauses, and variable-geometry approaches that preserve consensus for final outcomes but allow progress where there is a critical mass. Explore differentiating decision thresholds for different types of decisions (e.g. chair appointments, budgets, new rules). Clarify the relationship between consensus and the fallback voting provisions in Article IX.
- Strengthen transparency and inclusiveness: Improve feedback mechanisms, inclusivity and transparency and explore better ways to do this.

The Transparency Plenary Session on WTO Reform (JOB/GC/469) also recorded an exchange of ideas such as a *Pareto (or 'do-no-harm')* principle for blocking, differentiated thresholds for different types of decisions, and learning from other international organisations. At the same time, many delegations warned that such decision rules, without addressing underlying trust deficits that arise from unfulfilled mandates, non-inclusive negotiations and weak SDT implementation, will not help solve the core legitimacy problems.

For Bangladesh, the governance track is particularly important. As a relatively weak economy, its interests lie in a consensus-based and genuinely member-driven system to safeguard its interests. At the same time, it also needs a WTO that is capable of taking decision without consensus based decision-making acting as a stumbling bloc. Bangladesh's interests lie in upholding the development dimensions of trade with core areas being support for smooth transition, SDT reforms and a functional dispute settlement mechanism.

Development, SDT and Fairness

This focused area is covered under Track 2 (fairness). Both the Reform Week note and plenary discussions acknowledge that despite extensive provisions, development outcomes have fallen short of expectations of many developing members, LDCs and GLDCs. Current SDT is often criticised as blanket, untargeted and often ineffective, with limited monitoring of its actual impact. Differentiation tensions, particularly self-designation and continued use of SDT by more advanced developing economies[20] and political obstacles continue to remain in place.

The identified post-MC14 work-programme in this area includes:

- *Evidence-based, fact-driven SDT:* Compile factual information on which member uses which SDT, for what purpose, to what effect and what are the gaps. Also, link these findings to the *Trade Policy Review Mechanism*.
- *Maintain legitimacy but modernise:* Reaffirm SDT as a *treaty-embedded right* while modernising provisions to make them precise, effective and operational. Avoid destabilising the Marrakesh balance while updating provisions that are clearly obsolete.
- *Move from blanket to targeted, needs-based SDT:* Shift from open-ended exemptions to time-bound, targeted flexibilities linked to demonstrated need. Explore voluntary opt-outs from SDT by more advanced developing Members. Develop flexible approaches that let Members *opt into* specific SDT where justified and opt out where not.
- *Define differentiation criteria:* Explore objective benchmarks (e.g. share of global trade, income levels, OECD membership) that respect sovereignty but make differentiation more predictable and transparent.
- *Improve implementation and responsiveness:* Develop 'trigger-ready' mechanisms and crisis waivers that can be activated quickly (e.g. for LDCs, small economies, shock-affected economies). Align SDT provisions with graduation and transition mechanisms for LDCs. Some competitors have drawn attention to current LDC graduation criteria as not fully reflecting the structural vulnerabilities afflicting many LDCs and argues for a more nuanced framework. For example, some experts have called for a 'rethink' of the graduation paradigm rather than simply applying the current criteria in deciding as to whether an LDC is eligible for graduation or not (Bhattacharya and Jannat, 2025). They have stressed that need for considering structural factors in dealing with issues of graduation.

[20]In a positive move, China has let know that while it would prefer to remain as a 'developing country', it will forego all benefits offered under the various SDT provisions of the WTO earmarked for the developing country members of the organisation.

- *Strengthen capacity building and technical support:* Better align capacity-building (Aid for Trade, EIF, technical assistance) with revamped SDT provisions to ensure actual developmental impact.

Bangladesh and other GLDCs have stressed that preserving the flexibilities enjoyed by these countries does not harm others and explicitly called for progress to be made as regards graduation and smooth transition mechanisms in order to safeguard developmental gains. LDCs also emphasised during the reform week that development should not be equated solely with SDT while other developing-country priorities, including mandated Doha issues (agriculture, fisheries, cotton, etc.), are still being sidelined. Many developing country members feel the reform agenda conflates decision-making, SDT differentiation, and level-playing-field discussions while ignoring mandated development issues (Kanth, 2025a).

For Bangladesh, the situation is rather tricky. Its interest is no longer closely aligned with the LDCs; as a GLDC its interests lie in being part of the group of developing countries. SDTs for developing countries should be at the centre of its focus. However, as the discussions indicate, growing emphasis is being put on SDTs being 'targeted' and 'needs based' rather than 'blanket.' The *opt-in*, *opt-out* options are likely to be not voluntary but contingent on certain criteria — for example, share in global trade. In fine, the indications are that as a future developing country Bangladesh will need to be ready for a trading regime which will demand that the country is capable of meeting obligations while enjoying the watered down SDTs.

Level Playing Field

Reform Week identified the debate on level-playing-field as 'the issue of the time'. Members broadly agreed that existing disciplines, particularly on subsidies, state-owned enterprises and other state interventions, have not kept pace with today's realities of overcapacity, large-scale industrial subsidies and high market concentration. At the same time, they were deeply divided over what 'fairness' means: some emphasised stricter disciplines on trade-distorting support, while others stress preserving policy space for industrialisation and diversification. Existing subsidy and state-aid rules trended to be viewed as too rigid by many developing country Members and LDCs, constraining their ability to transform and move up the value chains.

The identified post-MC14 work-programme in this area includes:

- *Recommit to rules and principles:* Reaffirm adherence to existing rules and disciplines as a starting point for any level-playing-field discussion.
- *Explore rule reform and updating mechanisms:* Consider updating the ASCM and non-actionable subsidies concepts, shifting emphasis from narrow definitions to *harm-based* approaches. Recast disciplines to better reflect development needs and modern industrial policy realities.
- *Development-oriented approaches:* Design flexible policy tools that support structural transformation and diversification. Strengthen Aid for Trade and explore a 'Development Review Mechanism (DRM)' to assess impacts of global market-concentration trends and state support on developing economies.

However, widespread concern remains regarding the lack of meaningful discussion as regards unilateral tariffs, particularly the US RTs adversely affecting trade interests of many WTO members. This is a key fairness issue which embodies a major inconsistency as regards the spirit of fairness. Level-playing-field discussions are focused on subsidies and industrial policy

pertaining to *National Treatment* but not on unilateral measures leading to erosion of the principle of MFN.

Proposal Concerning Services Trade and Development

Besides the aforesaid three thematic areas, a noteworthy reform initiative was the communication (JOB/SERV/CTS/46) submitted by Bangladesh, India, the Kyrgyz Republic, Nepal, and Pakistan. The communication addressed the challenge of facilitating the recognition of professional qualifications under the General Agreement on Trade in Services (GATS). It identified under-notification of recognition measures, limited participation of low-income countries in mutual recognition agreements and lack of shared procedures for providing 'adequate opportunity' to join such arrangements as key obstacles to realising the developmental promise of the GATS. Operationalisation of GATS Article VII on Recognition was deemed essential to reinforce the core GATS objective of 'facilitating the increasing participation of developing countries in trade in services'.

The proposal calls for the followings: (i) a procedural guideline on 'adequate opportunity' under Article VII:2; (ii) a dedicated notification template and WTO database for MRAs under Article VII:4; (iii) cross-sectoral best-practice norms under Article VII:5; (iv) and targeted technical assistance for developing countries and LDCs to participate effectively in *Mutual Recognition Agreements* (MRAs).

This initiative was a tangible contribution of Bangladesh to the reform discussion that directly links services trade, labour mobility and human capital to the broader fairness and development tracks.

Given Bangladesh's capacity in relevant areas, and the potential it has to tap into the growing services market in global trade, this is an area which Bangladesh should continue to focus on in the ongoing deliberations in Geneva.

MC14 and General Council Discussions

The General Council (GC) meeting (WTO/AIR/GC/67) which convened on 16-17 December 2025 was the last formal checkpoint before MC14 in Yaoundé. Taken together with the facilitator's reports (JOB/GC/467 and 469), it would shape expectations from the upcoming MC14. As the deliberations are proceeding it is likely that MC-14 will be as a reform ministerial, setting direction, rather than delivering a fully negotiated legal package.

The GC agenda (WTO/AIR/GC/67) contains several clusters that are directly relevant to both the reform process and graduating LDCs such as Bangladesh. Some of these are the followings.

Reform and dispute settlement reports

Item 2.2.1: WTO Reform (Report by the Facilitator) is the vehicle through which the outcomes of the Reform Week and earlier consultations will be distilled into ministerially digestible options under the three tracks.

Item 2.2.2: Dispute Settlement Reform (Report by the DSB Chair) belongs to a separate negotiating track but is politically inseparable from the overall credibility of the reform package. Restoring a fully functioning, binding and accessible dispute-settlement system is repeatedly described in the reform consultations as foundational.

Graduation and SDT

Item 8: Smooth Transition Support Measures for Graduated LDCs (communication from Djibouti on behalf of the LDC Group) brings the draft decision in WT/GC/W/967 formally before the General Council for guidance and for operationalising the MC13 mandate.

As is known, in the submission made by Chad on behalf of LDC members of the WTO, a number of proposals were submitted to advance the interests of GLDCs: (a) extension of DF-QF market access for 6-9 years; (b) request the TRIPS Council to extend the transition period under Article 66.1 of the TRIPS Agreement (which provides the LDCs with flexibilities to implement many IP rules); and (c) prepare a package of support for graduating LDCs (preferential access; technical assistance; aid for trade; capacity building). As may be recalled, during MC13, only one concrete, time-bound decision for GLDCs was secured: the continuation of the *due restraint* clause under Article 24 of the Dispute Settlement Understanding (DSU). This protects graduated LDCs from being subject to dispute settlement cases for three years after their graduation. For the same period, graduating LDCs will also continue to have access to WTO technical assistance and capacity-building programmes (WTO, 2024c).

On the issue of preferential market access, which is of utmost importance to Bangladesh, the MC13 outcome fell short of expectations. The adopted decision merely encouraged preference-granting members 'to provide a smooth and sustainable transition period for withdrawal of such preferences after the entry into force of a decision of the UN General Assembly to graduate a country from the LDC category' (WTO, 2023).

This seemingly positive language conceals several limitations. First, the decision is phrased as a *best-endeavour commitment*, meaning it is not legally binding and leaves discretion entirely with the preference-granting members. Second, it specifies no concrete transition timeline, even though the LDC Group had originally proposed a 12-year extension (later moderated to six to nine years). Third, it applies only to those members that already operate LDC-specific preferential schemes, which means countries such as the United States, whose preference programmes are not LDC-specific, remain outside the scope and ambit of this decision.

True, some members have taken unilateral initiative to extend preferential market access to graduating LDCs following MC13. Along with EU and UK (which had offered extension of preferential market access early on), a number of other WTO members including Australia, Japan, Canada, China have come forward with similar initiatives (for extension of preferences by 2-3 years).[21]

Subsequent LDC submission includes the followings: (a) inclusion of GLDCs with per capita GNI below USD 1,000 in constant 1990 dollars in Annex II of the SCM Agreement; (b) extension of TRIPS waiver for six years; and (c) a six-year exemption for GLDCs from the prohibition on 'export credit subsidies' under the Nairobi Ministerial Decision on Export Competition (MC10). However, possibilities of negotiating a general waiver for all GLDCs is highly unlikely; rather some waiver/flexibilities may be negotiated based on specific requirements. Nonetheless,

[21]The EU's GSP+ scheme offers further extension possibilities. However, the terms are more stringent than the everything but arms (EBA) scheme for the LDCs. For example, the *rules of origin* for apparels would call for *two-stage conversion* (yarn to fabrics to RMG) rather than one stage (fabrics to RMG as stipulated under the EBA (for LDCs). Also to note, under the present proposal for GSP+ scheme, to come into effect in 2027, there is an import ceiling that would not allow Bangladesh's all important apparels sector to be considered for this scheme.

Bangladesh should pursue these proposals in all earnest at various discussions and platforms during the run up to MC14.

Following MC13, the Sub-Committee on LDCs, under the General Council's guidance, was tasked with continuing work on the remaining elements of the LDC proposal (Annex 2 of document WT/GC/W/807/Rev.2), including Annex VII of the Agreement on Subsidies and Countervailing Measures (ASCM). The sub-committee was tasked with submitting its recommendations by December 2024 for consideration by the General Council, ahead of MC14 (WTO, 2024a). This mandate became central to the post-MC13 follow-up process for GLDCs such as Bangladesh.

As a continuation, the LDC Group presented several documents (JOB/COMTD/LDC/1, JOB/COMTD/LDC/7) for adoption by the General Council to address 'the remaining provisions listed in Annex 2'. The latest communication circulated by Djibouti on behalf of the LDC Group (WT/GC/W/967), titled '*WTO Smooth Transition Support Measures in Favour of Countries Graduated from the LDC Category Pursuant to Paragraph 3, WT/MIN(24)/34; WT/L/1189*' streamlined the earlier draft decision (JOB/COMTD/LDC/7) and submitted it to the General Council for consideration under the MC13 mandate and reaffirmed the Group's commitment to advancing the work on the remaining elements of the LDC package (WTO, 2025c).

The draft text attached to the communication sets out specific provisions to maintain certain LDC-related flexibilities for a defined post-graduation period. It proposes that the following:

Annex VII Flexibility: A graduating Member either remains covered under Annex VII(b) of the ASCM until its GNP per capita exceeds USD 1,000 (in constant 1,990 dollars) for three consecutive years, or *alternatively*, continue to benefit from ASCM Annex VII(a) treatment for six years after the UN General Assembly's decision on graduation takes effect.

TRIPS Transition Extension: The TRIPS transition period under Article 66.1 and related decisions (IP/C/88, WT/L/971) continue to apply to graduated Members for six years or until the end of the final LDC transition period, whichever is earlier.

Extension of AoA Flexibility: Graduated Members continue to benefit from Article 9.4 of the Agreement on Agriculture (WT/L/980, paragraph 8 on export competition) for six years or until the end of the final LDC transition period, whichever is earlier; and

TRIPS and Technology Transfer: Developed Members maintain their obligations under TRIPS Article 66.2 to provide incentives for technology transfer to recently graduated Members for the same six-year period.

While discussions on this revised proposal remain inconclusive, the LDC Group, led by The Gambia, continues to emphasise the urgency of completing the MC13 mandate on *Smooth Transition Measures*. For countries such as Bangladesh, these extensions are critical safeguards against multiple structural and systemic risks.

Item 9: G-90 request for a GC decision on SDT in SPS and TBT seeks to advance a decision that would make those SDT provisions 'precise, effective and operational', and thus serves as an early test case for the broader SDT reform agenda under the Fairness track.

Item 23: LDC Priorities (WT/GC/W/979), while listed under 'For information', signals the LDC Group's determination to keep graduation, preference erosion and SDT implementation politically visible ahead of MC14.

One important issue for Bangladesh relates to Annex VII (b) flexibility for which it will be eligible if its GNI per capita (according to WTO methodology) is less than USD 1,000 in 1990 base year term. According to WTO latest data, Bangladesh's GNI per capita was 799 USD in 2022 in 1990 base year term (WTO, 2024b). Although the White Paper Committee Report (2024) commissioned by the Interim Government of Bangladesh has questioned the quality of GDP/ GNI data of Bangladesh, this has not been revised by the Bangladesh Bureau of statistics. Under the circumstances, the GNI capita be in 2026 in 1990 base year term will need to be estimated based on the currently available official data. In FY 2024-25 Bangladesh's GNI per capita was USD 2,820. This data will need to be estimated in 1990 base year term (and projected for subsequent years) to see if Bangladesh will be eligible for the SDT provided under Annex VII (b).

A number of issues of crucial importance to Bangladesh are likely to be put on the table of discussion at MC14: WTO reforms, SDT and level playing field; Fisheries Agreement (Fish 2.0); Plurilateral Agreements. As was noted, a number of proposals are on the table as regards WTO reforms. Some countries are questioning the current system of one country, one vote and consensus-based decision-making process. Some members are arguing for reining-in 'judicial activism' of the WTO-DSB. On the other hand, there are also calls, championed by developing countries and LDCs, for strengthening the SDT provisions under the various WTO Agreements.

To note, plurilateral discussions, spearheaded by *coalitions of willing countries*, and dealing with areas as diverse as investment and e-commerce as also other areas, outside of the formal WTO negotiating platforms, are gaining increasing traction in recent times. Some of these may become part of the MC14 agenda. Some participating countries feel that the consensus-based WTO negotiating process tends to be too protracted. As a reaction to this, the plurilateral-participating countries are keen to fast-forward conclusion of discussions in areas noted above, by coming to a consensus among themselves as regards rules and disciplines that they agree to abide by.

For example, the discussion held in Geneva on 20 February 2026 asks several questions in this connection, covering a number of areas: (a) foundational issues; (b) decision-making; (c) development; (d) past mandates and (e) level playing field.

All the above developments and discussions are of crucial importance as many of the decisions and consequent obligations will have important implications for post-LDC Bangladesh, as a non-LDC developing country. While Bangladesh is exempt from many WTO disciplines as an LDC, upon graduation it will be subject to these as applicable to the developing countries. Any new discipline to be applicable for developing countries will also be applicable for Bangladesh following the country's graduation. Hence, the need for careful examination of the new debates and developments concerning global trade and multilateral trading system. Partner trading countries may take different trade restrictive measures (though they can even now, most WTO members are reluctant to do so against an LDC) and cases may be lodged in the WTO-DSM if WTO Agreements are perceived to have been violated (to note, no LDC has been dragged to the DSM as yet).[22]

Bangladesh's import tariffs tend to be high (particularly on certain imported items) but this is not so much because of customs duties but because of regulatory duties and other duties such as advance VAT and advance income tax (which theoretically are refundable). Some of these

[22]As was noted earlier, as per decision taken at WTO-MC13, WTO members agreed not to take GLDCs to the DSB for three years following their graduation.

duties do violate the *National Treatment* principle of the WTO, and will need to be done away with upon graduation. If not, these may be challenged in the DSB.

Three other factors may be noted in this connection: (a) Bangladesh as a GLDC will be required to submit notifications to the WTO about policies and policy changes, on a more regular basis; (b) WTO's Trade Policy reviews will be conducted more frequently; and (c) trade-related compliance requirements will become more stringent at a time when Bangladesh will be graduating (e.g. EU's *carbon border adjustment mechanism*-CBAM induced *carbon tax*; labour, environment and gender-related standards; compliance with various ILO conventions).

Concluding Remarks

The paper has tried to capture three broad areas in view of the evolving multilateral trading system and the upcoming MC14: (a) emerging distinguishing features of the global trade that makes MC14 an event of heightened interest for Bangladesh as a GLDC; (b) possible scenarios as regards the future of the WTO and what each of these would mean for Bangladesh's concerns and interests in the context of its participation in the global trade; and (c) developments in the WTO in view of the upcoming MC14 and Bangladesh's perspectives and possible stance in view of the agendas and proposals being discussed as part of the preparatory process for the upcoming Ministerial Conference.

It is hoped that by identifying the salient features that inform the current global trade, and by anticipating possible future scenarios concerning the multilateral trading system, the paper will contribute to designing Bangladesh's strategies to navigate globalisation at a challenging time. It is also hoped that the analysis as regards developments in Geneva in view of MC14, would help Bangladesh's policymakers to design the country's stance in view of the upcoming WTO-MC14.

The paper has argued that while at the current juncture the WTO faces an existential crisis, for weaker economies such as Bangladesh, a rules-based multilateral trading system with SDT provisions, that recognises the development dimensions of trade and has a dispute resolution mechanism, is by far the preferred option. However, having argued along those lines the paper concedes that the call for reforms of the WTO can no longer be shelved. The submission by the US dated 15 December 2025 clearly points to this. The paper took the position that Bangladesh should remain engaged in the relevant discussions and should take adequate preparation in view of this. Bangladesh should strongly support the MFN principle, single undertaking modality of decision making and a strong and functional DSB. At the same time, there is no doubt the plurilateral discussions are gaining increasingly more traction in the WTO. Bangladesh should remain proactively engaged in these discussions so that it is just not a 'taker' as far as rules, provisions and decisions agreed in these discussions are concerned. However, making plurilateral discussions the key modality of WTO discussions (that violates both MFN and single undertaking provisions of the WTO and which are being vigorously pursued by the US) is not in the interest of weaker economies such as Bangladesh. Bangladesh will need to pursue a nuanced strategy by taking into cognisance the complexities involved.

As has been argued in the paper, whether WTO members agree to a consensus-based reformed WTO, or whether a rather weak WTO emerges from the ongoing debates, deliberations and discussions, regional cooperation and integration tools are set to become increasingly powerful over the near-term future. The analysis presented in the paper as regards the five anticipated scenarios concerning the future of the WTO brings this out clearly. As has been argued in view of this, Bangladesh must remain active against this backdrop, and pursue the cause of FTAs, EPAs,

ETCAs and CEPAs in an energetic and proactive manner. By any count, the EPA with Japan is a good start against this backdrop. A number of other bilateral cooperation discussions are also currently ongoing (including with Singapore, Malaysia, Indonesia and South Korea). Bangladesh is also contemplating opening RTA discussions with ASEAN and RCEP. The *Negotiations Pool* being developed by Bangladesh should be provided with adequate support towards capacity building of involved Pool members so that complex trade negotiations can be undertaken by Bangladesh in an informed and analytically sound manner.

By any measure, the upcoming WTO-MC14 will be a defining moment for the developing countries including the GLDCs and the LDCs. For Bangladesh, this is particularly so, for several reasons. As noted earlier, this may be the last Ministerial Conference for Bangladesh if its graduation takes places, as envisaged, in November 2026. The upcoming MC14 will provide a final opportunity for GLDCs such as Bangladesh to negotiate a package of ISMs to help make the graduation smooth and sustainable. As may be recalled, at MC13, the only concession that the GLDCs were able to extract was that these graduated LDCs would not be taken to the WTO-DSB for three years following their graduation.

Bangladesh will need to be cognisant of the newly emerging demands of the global trade and the developments in the WTO, and prepare accordingly. At the same time, it will need to put full emphasis on implementation of the Smooth Transition Strategy (STS) to ensure that its graduation is smooth, takes place with momentum and is sustainable.

The submissions made by the US and the EU make it clear that WTO reforms can no longer be deferred. In all likelihood, MC14 is going to be a *Reform Ministerial*.[23] A Work Plan is expected to be endorsed at MC14 that will spell out various aspects of the reforms. The EU submission speaks of it; US submission alludes to this as the minimum. A reformed WTO based on 'Predictability', 'Fairness' and 'Flexibilities' is likely to be worked out as part of the work being carried out in Geneva prior to MC14. However, how the aforesaid principles are to be defined in concrete terms remains to be seen. This will not be easy to arrive at. US on the one side, and India and China, on the other, are expected to define the two extremes, with the EU stance being somewhere in between. Bangladesh will need to be involved in the concerned discussions in an informed way so that the interests of low-income countries, LDCs and GLDCs can be effectively safeguarded, secured and advanced.

Indeed, Bangladesh should take the lead in pursuing the GLDC agendas in view of the upcoming MC14. As has been noted, there is no separate, recognised group in the WTO called 'Graduating LDC'. Bangladesh will need to work within, and in tandem with, the group of LDCs to which it currently belongs. In general, the group of LDCs is supportive of the GLDCs, also since all current LDCs at one point in time will graduate out of the group and be GLDCs. However, majority of LDCs will have their own priorities (as LDCs, as distinct from GLDCs). Bangladesh's priorities as a GLDC will understandably be different. To also note, The Gambia, LDC Group Coordinator in the WTO is not a GLDC. Against this backdrop, Bangladesh will need to take the mantle of leadership in Geneva, and at MC14, on behalf of the 12 LDCs that are at various stages of graduation. The newly elected government should get on with the attendant tasks in view of the above with due urgency and adequate preparation.

[23]It is highly unlikely that at MC14 any tangible proposal will be discussed as far as built-in and ongoing agendas are concerned e.g. Fisheries Subsidies (Fish 2.0); liberalisation of Agricultural Trade and others.

As is known, the newly-elected government in Bangladesh has decided to request for a deferment of the country's LDC graduation by three years. Whether Bangladesh's request for deferment of LDC graduation is endorsed or not will only be known in September, 2026 when the General Assembly of the UN has its meeting. Whatever be the case, Bangladesh should continue to play a proactive role in the WTO and be involved in the reform discussions in an informed manner. A rule-based MTS, with embedded SDTs for weaker economies, albeit within a reformed WTO, will serve Bangladesh's interests best. In parallel, all efforts should be put to implement the STS in a time-bound manner.

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