The WTO Still Matters

Reform, Rulemaking, and the SME Voice

WTO Public Forum, Geneva | September 2026 | In-Confidence

Overview

Attending the WTO Public Forum in Geneva, I was initially a little sceptical about what I would receive out of it, and what I would learn that would be of value. But I left Geneva encouraged by the fact that there are still so many people around the world who are passionate about maintaining the organisation and ensuring it stays relevant even during a turbulent time.

The Public Forum reinforced that the World Trade Organisation and the multilateral trading system it underpins still matter. Even though many businesses won't realise the WTO is there supporting their day-to-day trade. They still rely on the predictability created by WTO rules, which is especially important for smaller economies and smaller businesses that lack the resources or leverage to navigate a highly fragmented global trading environment.

At the same time, there was consistent acknowledgement across the week that the institution and its rulebook are struggling to keep pace with the way international trade is changing. Technology is moving quickly, economic security is increasingly influencing trade policy, and reaching consensus across the WTO's 166 members has become increasingly difficult.

The plea from leaders was not to abandon multilateralism. Rather, there is a growing need to preserve the WTO as the global baseline while finding more flexible ways to make progress, including plurilateral agreements among groups of willing members and practical reforms that make existing WTO processes more useful to businesses.

For New Zealand, there is a strong interest in both objectives. We depend on predictable international rules, but we also need those rules and the institutions behind them to remain relevant to the businesses that use them. That includes ensuring the interests and practical constraints of SMEs are reflected in the system.

Key Recommendations for Business New Zealand

- Strengthen ongoing ExportNZ and BusinessNZ engagement with the WTO, GSC, and IOE through wider and consistent participation.
- Support MFAT to improve coordination between New Zealand delegates attending WTO events.
- Investigate ways to improve communication of WTO notifications and regulatory changes to exporters via ExportNZ and BusinessNZ Network.
- Continue to advocate for the reinstatement and permanent adoption of the e-commerce moratorium.
- Continue advocating for a strong, rules-based multilateral trading system.

The WTO remains an essential baseline

The relevance of the WTO was a recurring theme throughout the Forum. Director-General Ngozi Okonjo-Iweala noted that around 72 percent of global trade continues to take place on WTO Most Favoured Nation terms. Whatever the difficulties facing the institution, the basic rules, disciplines and predictability it provides continue to underpin a substantial share of global commerce.



IOE Senior Adviser, Amadou Sako (Centre), and Jason Masai, M-Pesa Africa (Right)

While New Zealand has a suite of trade agreements which facilitate trade with various markets, the WTO maintains the baseline standard of expectations for countries to trade and engage under. A global trading environment increasingly determined by economic size, bilateral leverage or competing spheres of influence would be challenging for a small, geographically distant economy like New Zealand, so it continues to be important to the way New Zealand exporters trade and do business across borders.

The same logic applies to SMEs. Large multinational companies can maintain teams across markets and respond to regulatory changes in multiple markets. Smaller businesses, and even New Zealand multinationals, generally cannot. They therefore have more to lose when rules become unpredictable, markets fragment or different jurisdictions introduce incompatible requirements.

Rule-making needs to become more flexible

There was little sense in Geneva that the WTO can simply continue operating as it has. The global economy is substantially different from the one in which many of the existing rules were negotiated. Digital trade and digitally delivered services have expanded, goods and services are increasingly intertwined, and governments are placing greater weight on resilience and economic security.

The difficulty of achieving consensus across the full membership is therefore becoming a focus for WTO reform. This is not just a case of the United States continuing to block appellate body judges, other countries will act in their own interest in a way that hinders cross-border trade or gives their businesses an unfair advantage.

To their credit, WTO is trying to address some incredibly difficult topics: e-commerce customs duties, avoiding digital trade fragmentation, government subsidies for agriculture and fisheries sectors, etc. These are issues that New Zealand is wholly supportive of, and we would not need to drastically change the way the New Zealand economy would operate. There are many economies, both large and small, that would need to reform their economies in order to align with WTO standards. That reform and self-interest make the WTO a difficult place to find consensus on rule changes.

A strong theme from the discussion on the future of plurilateral agreements was that political will matters more than waiting for perfect negotiating conditions. Willing members should be able to identify commercially relevant problems, establish a critical mass and develop workable rules where broader consensus is not immediately possible.

The E-Commerce Agreement (ECA) was repeatedly used as an example. The attraction of the plurilateral approach is not that it replaces multilateralism, but that it allows progress on emerging issues while retaining the WTO as the wider institutional and rules-based foundation. Over time, successful plurilateral approaches can also establish practices and disciplines that attract broader participation.

Another example is the conversation regarding EU-CPTPP cooperation; the intention is not to have the EU join as a formal member of the CPTPP, but to have all members cooperate in areas where there is mutual interest, like the ECA, on cross-border data flows, data localisation, and GDPR alignment, and on AI governance.

For New Zealand, participation in these processes matter. If international rules are increasingly developed first among groups of willing economies, being involved early gives New Zealand the opportunity to shape rules to suit our businesses before they become established practice rather than adapting to them afterwards.

SMEs need a stronger voice in the system

The importance of SMEs was raised repeatedly during the Forum. A consistent message was that small businesses experience international rules differently from large companies. A requirement that is manageable for a multinational can become a material barrier for a five-person export company.

This applies to regulatory compliance, business verification, payments, customs processes, data requirements and the cost of monitoring regulatory change. The smaller the business, the less likely it is to have dedicated legal, customs or compliance capability. This makes simplicity, predictability and interoperability particularly important.

There was also a representation issue. Panellists argued that SMEs need to be present when rules affecting them are developed and that meaningful consultation requires more than providing information after decisions have effectively been made. Export organisations and business groups have an important role in aggregating the experience of smaller firms and bringing those practical concerns into international policy discussions.

The point is relevant to WTO reform more broadly. A system that becomes technically sophisticated but increasingly difficult for smaller businesses to understand or use will not deliver inclusive participation in international trade.

Transparency is practical WTO reform

One of the more practical discussions in Geneva concerned WTO notifications and re

gulatory transparency. The WTO already provides mechanisms for members to notify proposed regulatory changes, including through the Technical Barriers to Trade and Sanitary and Phytosanitary systems. These mechanisms can provide businesses with valuable early warning of requirements that may affect their exports.

However, business representatives argued that information is not always sufficiently early, accessible or usable. A notification shortly before a new requirement takes effect is of limited value to a business that must redesign a product, obtain certification, change packaging or reorganise a supply chain.

There was interest in making regulatory information more machine-readable and easier to integrate into commercial systems. AI and automated regulatory intelligence create the possibility of moving away from expecting individual businesses to manually search for changes towards systems that identify and surface relevant developments.

For SMEs, this could be particularly valuable. They do not necessarily need more information. They need the right information, early enough to act on it. For ExportNZ, this raises a practical question about whether we can become better at translating WTO notifications and international regulatory developments into usable early-warning intelligence for New Zealand exporters.

The e-commerce moratorium as a test case

The future of the WTO moratorium on customs duties on electronic transmissions was another recurring issue. Services businesses raised concerns that different national approaches to taxing electronic transmissions could create a patchwork of digital customs regimes. Questions around what constitutes an import, how origin is determined when data crosses several jurisdictions, and how digital inputs embedded in physical products are treated illustrate the practical complexity involved.



WTO Director-General, Ngozi Okonjo-Iweala

These costs would not be evenly distributed. Larger businesses may be able to develop systems to manage different national requirements. Smaller firms are more likely to reconsider whether serving a market is commercially worthwhile at all.

The debate also demonstrates the wider challenge facing the WTO: rules developed for an earlier phase of globalisation are being tested by new forms of commerce, while agreement on how they should evolve is becoming harder. The response needs to recognise legitimate policy concerns while avoiding unnecessary fragmentation of digital trade.

In a meeting between the Global Services Coalition and the Director-General, Ngozi Okonjo-Iweala, the industry groups were strongly encouraged to remain vocal about the need to reinstate the moratorium on e-commerce customs duties, establish a permanent moratorium, and continue to push for countries to join the e-Commerce Agreement. The GSC were delighted with how the meeting went and the support from the D-G. The D-G and GSC have long been aligned on digital trade issues.

Speaking with delegates from South Africa, there was frustration at their government and the South African Government's opposition to the e-Commerce moratorium. This goes to show that government positions around the world are not necessarily aligned with their business community.

ExportNZ, BusinessNZ, and the New Zealand government should continue to advocate strongly for the reinstatement of the moratorium on e-commerce customs duties, establish a permanent moratorium, and continue to encourage other countries to join the e-Commerce Agreement.

Business Engagement in the WTO

Before attending the Forum, I was asked to consider how we can help build more participation from businesses in the Public Forum how the WTO can improve its engagement with SMEs.

From a New Zealand point of view, the cost to travel and attend a forum overseas, let alone in one of the most expensive cities in the world, can be inhibiting, in addition to the time cost. There should not be an expectation for SMEs or business leaders to travel to attend the Forum.



ICC Head of Trade Policy, Valerie Picard (Left), and Deputy Secretary-General – Policy, Andrew Wilson (Right)

Instead, there can be more work done in New Zealand, to ensure that the work the WTO does is understood by SMEs and delegates. Similar to the points raised around transparency and notifications of rules and regulatory changes, there may be a communication gap between the WTO → New Zealand Government → New Zealand exporters, where timely information is not exchanged.

ExportNZ and BusinessNZ are not currently part of any information exchange with the New Zealand Government or the WTO regarding notifications, so we need clarification from the Ministry of Foreign Affairs about how they convey information to the various sectors regarding WTO notifications.

The Geneva Mission and MFAT's WTO coordinator should also ensure they know who is attending the Public Forum each year, and coordinate an informal "catch-up" between New Zealand delegates to exchange information and talking points, this should be done before and after the Forum. My 30-minute catch-up with Beef & Lamb's representatives was valuable as

they had attended sessions and meeting that I was unable to get to or was not privy to and vice versa.

Implications for New Zealand and ExportNZ

New Zealand should continue to strongly support the WTO, the multilateral rules-based trading system, and the changes it is trying to make in customs duties, digital trade facilitation, subsidies, and reforming as a fit-for-purpose institution. The predictability it provides remains fundamental to a small trading economy and is particularly important for SMEs.

At the same time, support for the WTO should not mean defending existing processes for their own sake. New Zealand should support practical reform and plurilateral progress where full consensus is not achievable, particularly where negotiations address identifiable commercial barriers.

SMEs also need to be more deliberately represented in international rule-making. ExportNZ can play a role by ensuring the practical experience of smaller exporters is reflected in New Zealand's trade policy positions and by helping translate international regulatory developments into information businesses can actually use.

The choice is not between the WTO as it currently operates and abandoning multilateralism. The challenge is to preserve the predictability of the rules-based system while finding more flexible, practical and business-relevant ways to keep those rules current.

My attendance was also very welcome. The International Organisation of Employers and the Global Services Coalition were both grateful to have a New Zealand business representative as part of their delegations, and I was able to have a separate meeting with the International Chamber of Commerce, which was interested in future engagement. So I would welcome future opportunities to engage with the WTO on behalf of ExportNZ and BusinessNZ.



Members of the New Zealand Mission in Geneva

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