Imbalances in global trading

GLOBAL TRADE

INTERVIEW
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Trickery, manipulation, and self-centered interests—often at the expense of the development agenda of Least Developed Countries (LDCs) such as Uganda—find their way into the global trading system overseen by the World Trade Organisation (WTO). Ahead of this month's fourteenth WTO Ministerial Conference (MC14) that will be hosted in Yaoundé, Cameroon, Ms Jane Seruwagi Nalunga, an expert on multilateral agreements, in an interview explains why Uganda and her African counterparts should stand firm in the negotiations.

Ms Jane Seruwagi Nalunga, an expert on multilateral agreements. PHOTO/ISMAIL MUSA LADU

World Trade warning
'Don't mortgage your development agenda'

Why is the World Trade Organisation (WTO) Ministerial Conference (MC14) a make-or-break moment for Uganda and how does its outcome impact the broader EAC and African trade landscape?

The fourteenth WTO Ministerial Conference (MC14), to be held in Yaoundé, Cameroon this month, takes place at a time of heightened uncertainty in the global trading system.

Persistent structural inequalities, limited progress on WTO reform, growing reliance on plurilateral approaches where a club of most powerful economies only care about themselves at the expense of LDCs, and mounting geopolitical and geoeconomic fragmentation are reshaping the multilateral (global trading) environment within which developing countries operate.

This is complicated by overlapping crises, climate-related shocks, debt distress, food insecurity, and cost-of-living pressures, which have constrained government spending; weakening prospects for sustained structural transformation for LDC economies like Uganda.

This is why Uganda and the African Group MC14 must not result in further deferral of agriculture reforms. Agriculture should remain a central benchmark against which the credibility of any broader WTO reform package is assessed.

As a result of longstanding imbalances within the global trading system, agricultural transformation across most of the continent continues to be constrained. This is in addition to limited market access, tariff escalation in developed-country markets, and the persistence of trade-distorting domestic support measures, undermining competitiveness and value addition efforts.

Whose fight should this be?

Did you know that trade is war? And this is how developed economies approach it. We call all for coordinated troops.

This is why Uganda and East African Community LDCs and peers across Africa, should approach MC14 as more than a routine Ministerial Conference; it is a strategic opportunity to safeguard development mandates, preserve industrial policy space, and ensure coherence between multilateral (global trade) commitments and regional transformation frameworks.

We, therefore, expect Uganda's position to remain consistent with the collective priorities of the LDC Group as articulated in WTO General Council document WT/GC/W/979 (4 December 2025).

The document provides an important benchmark for ensuring that development commitments undertaken at previous Ministerial Conferences, particularly MC12 and MC13, are implemented before new rule-making initiatives advance new proposals or reforms or machinations of any type are fronted.

Are you saying Uganda and her peers on the continent are disadvantaged?

Currently, major economies are expanding the use of industrial policy instruments in strategic sectors such as renewable energy, digital infrastructure, advanced manufacturing, and critical minerals.

These shifts raise substantive questions regarding equity, competitive neutrality, and the scope of policy space available to developing countries within the existing multilateral framework.

For Uganda, the East African Community (EAC) and the wider African Group members, these trends intersect with structural vulnerabilities such as narrow production bases, commodity dependence, limited manufacturing capacity, infrastructure deficits, and high exposure to external shocks.

What should Uganda and the African Group approach with caution while at MC14?

There is this high-sounding phrase: Plurilateral Investment Facilitation for Development (IFD)initiative, which takes care of the most developed economies' interests at the expense of LDCs' economies despite presenting complex legal and policy implications.

While framed as a facilitation instrument, its incorporation into the WTO architecture, particularly if subject to the Dispute Settlement Understanding (DSU) would render its obligations enforceable multilaterally in global trade. This raises concerns regarding regulatory autonomy, administrative capacity, and coherence with regional investment frameworks.

Uganda and the African Group should, therefore, approach any outcome on IFD with caution. If adoption or incorporation into WTO Annexes is pursued at MC14, Uganda should support calls for comprehensive legal clarification and ensure that consensus-based procedures are fully respected.

They should also watch out for plurilateral negotiations on electronic commerce and the continued moratorium on customs duties on electronic transmissions, which carry direct fiscal and structural implications for Uganda and its peers on the continent.

As a country and continent seeking to expand the digital economy while being reliant on tariff revenues, Uganda and peers must carefully evaluate the long-term impact of permanently constraining its ability to levy customs duties on digital imports.

The regulatory dimensions of e-commerce negotiations including data governance, cross-border data flows, source code, and technology transfer have implications for digital industrialisation and domestic innovation ecosystems.

Premature commitments could entrench dependence on foreign digital platforms and limit the development of local enterprises.

Then Uganda and the African Group should also watch out for global expansion of industrial policy interventions by major economies.

This underscores the importance of preserving equivalent policy tools for developing countries. Subsidies, strategic procurement, local content measures, and technology support schemes are increasingly being deployed by big economies to secure competitive advantage in emerging sectors.

Wouldn't this require coordination within the East African Community (EAC), given that Uganda is a partner state alongside other African members?

We must approach this as a one group. Africa's engagement in the WTO must remain aligned with continental priorities articulated in Agenda 2063 and advanced through the African Continental Free Trade Area (AfCFTA). These frameworks emphasise industrialisation, value addition, economic diversification, employment creation, technological upgrading, and resilience.

WTO outcomes at MC14 should, therefore, support rather than constrain Africa's structural transformation objectives and the effective implementation of the AfCFTA.

Evaluate

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