

The 10th WTO Ministerial Conference, Nairobi

Proposals and Areas of Interest

Issue Brief #2

Background

In the run up to the 10th Ministerial Conference, various negotiating coalitions and individual countries have submitted more than a dozen proposals highlighting their expectations of outcomes at the 10th WTO Ministerial. These proposals also reflect their views on the fate of the trade body's long-running Doha Development Round. In an effort to stay away from contentious issues, the official consolidated draft evades a discussion of the Doha Development Agenda (DDA). However, the proposals that have been submitted by various Members provide us with some insight on the matter.

Proposals on the DDA

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fact that times have changed and though the issues remain relevant and should be concluded, they should be done under another format. In addition, it is felt that other issues, also commonly referred to as "21st century issues", namely,

investment, competition policy, transparency in government procurement, trade facilitation, environmental goods and services, e-commerce, etc. should be brought on board, given their increasing importance to their constituents.

On the contrary, many developing and least developed countries are of the view that issues that have been raised under the DDA should be concluded along the 2008 framework (Rev.4) before bringing on board any other issues. In line with these demands, several of the proposals that have been submitted call for definitive conclusion of the round.

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Based on the proposals that have been submitted, the coalitions that can be distinctly identified as "pro-Doha" are:

- African, Caribbean, and Pacific (ACP) Group;
- African Group;
- Arab Group;
- G-33;
- Least Developed Countries (LDCs);
- Recently Added Members (RAMs); and
- Small and Vulnerable Economies (SVEs).

In addition to these groupings, other individual country proposals by Egypt, Turkey, the Republic of Korea, Russia and Brazil also reiterate the importance of incorporation of the DDA framework in the post Nairobi agenda. In fact, the alliance of India, China, Ecuador, South Africa, Indonesia and, Venezuela has proposed that the ambiguous language in the Consolidated Draft by the Facilitators dated 27 November 2015 be placed in square brackets alongside language that reaffirms the DDA, the Declarations and Decisions adopted at Doha and at subsequent Ministerial Conferences.

Different courses of action have been suggested to not only preserve negotiations, but to also ensure that DDA achieves progress. The suggestions to this extent range from prioritising unfinished issues of market access in agriculture as well as in Non-Agricultural Market Access (NAMA) to mandating that the General Council hold special sessions to review the progress in negotiations at regular intervals.

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(WT/GC/176) presses upon taking a “realistic course that will lead the Membership to deliver meaningful and balanced outcomes on outstanding DDA issues.”

Interest Areas at a Glance

Below is a look at some of the issues that have been raised in various proposals so far.

African, Caribbean, and Pacific (ACP) Group (WT/MIN15/3)

The most detailed proposal has been submitted by ACP countries (WT/MIN15/3). It reiterates the goals of the G-90, G-33 and LDCs with regards to Special and Differential Treatment, Special Safeguard Mechanism and a meaningful LDC development package respectively. The ACP has also laid out a comprehensive proposal that calls for a Ministerial affirmation in the following areas:

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by the Arab Group (WT/MIN15/W13) and Egypt (WT/MIN15/W10); to an exclusive focus on export competition issues alone considering that Ukraine (WT/MIN15/W17) believes that “the DDA architecture is too complex” for reaching consensus on any other matter.

Another prospective solution to gauge development, as proposed by Turkey (WT/MIN15/W16), and the aforementioned grouping with India (WT/MIN15/W27), is for the General Council to hold special sessions to review the progress in negotiations and to prepare the way forward to complete the negotiations on the remaining issues by the eleventh Ministerial Conference.

While the aforesaid proposals assertively build pressure to push Doha forward, others seem quite vague, for instance, the Joint Proposal by Australia, Canada, Chile, Colombia, Costa Rica, Hong Kong China, Malaysia, Mexico, New Zealand, Norway, Singapore and Switzerland (WT/MIN15/W4) simply “regrets that despite full engagement and intensive efforts, Members have been unable to progress the Doha Development Agenda (DDA),” but makes no comment upon the possibilities of future discourse. Additionally, a more recent joint communication made by a group of 29 developing and developed Members¹

- **Agriculture:** Cuts in Overall Trade Distorting Support (OTDS) and Aggregate Measurement of Support (AMS); elimination of all forms of export subsidies and export measures with equivalent effect; arriving at a concrete and binding decision on cotton; and finding an amicable ground on public stockholding for food security purposes.
- **Development & LDC issues:** The draft input lists out the requirement for Ministerial Decisions pertaining to Special and Differential Treatment Agreement; preferential rules of origin; operationalisation of the waiver concerning preferential treatment; Duty-Free and Quota-Free (DFQF) market access; preservation of flexibilities treatment for developing countries, in particular LDCs and SVEs Economies in agriculture, NAMA and Services Negotiations; and development and food security aspects of fisheries subsidies.

- **NAMA:** Preservation of the core flexibilities contained in Rev.3; change in the current Swiss Formula used to calculate NAMA tariff reduction; removal of discriminatory or unnecessary barriers in terms of Non-Tariff Barriers; and ensuring ACP participation in relevant standard setting processes.
- **Aid for Trade:** Abandonment of per capita income statistics as the only measure to determine eligibility for Aid for Trade for WTO Members.

African Group (WT/MIN15/W7)

The African Group's submission mirrors most of the ACP concerns including the reaffirmation of Members' commitment to adhere to and respect all mandates for the Doha Development Agenda (DDA) and for the post MC10 remaining DDA issues to continue being negotiated within the DDA framework. Under agricultural reforms, the proposal also called for strengthening of the flexibilities accorded to Net Food Importing Developing Countries (NFIDCs); enhanced accessibility to a flexible, easy to use SSM in agriculture; permanent solution on public stockholding for food security purposes in accordance with the Bali Ministerial Decision.

In addition to the Aid for Trade and LDC development package stipulations, discussed before under the ACP proposal, the Group has also demanded the acceleration of accession procedures that do not impose onerous concessions and commitments on acceding African countries.

G-33 (WT/MIN15/W19)

Focusing on S&DT, the G-33 has proposed the facilitation of efforts by developing country Members to effectively take into account their food security and rural development needs through the Special Safeguard Mechanism (SSM) that would allow developing countries to temporarily raise import tariffs on agriculture products in cases of import surges or price declines. The proposal includes as an attachment the desired amendment through insertion of a new Article 5*bis* to the Agreement on Agriculture.

This is a modified version of the 2008 text on Revised Draft Modalities for Agriculture (commonly referred to as "Rev.4") released by the Committee on Agriculture during its Special Session.

LDCs (WT/MIN15/W18)

The submission by Bangladesh on behalf of the LDC group reflects concerns also iterated by the African Group and the ACP. The proposal specifically demands ministerial decisions on Cotton, DFQF, Preferential Rules of Origin, Services waiver and an agreement on S&DT Proposals.

Small and Vulnerable Economies (SVEs) (WT/MIN15/W3)

The SVEs² stipulate that their needs be addressed substantively so as to facilitate their integration into the multilateral trading system without creating a sub-category of WTO Members, and that WTO deliver flexibilities for SVEs as part of any development outcome.

Recently Added Members (RAMs) (WT/MIN15/W6)

The Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu on behalf of the Group of RAMs insist that the gap in Members' commitments be narrowed and that the WTO undertakes to establish all Members' level of ambition for commitments at a level that is at least equal to the level required of the Members that acceded under Article XII, on completion of the Doha Round.

Joint proposal by Colombia, New Zealand, and Pakistan (WT/MIN15/W11)

The joint communication by Colombia, New Zealand, and Pakistan voices concern regarding fisheries subsidies, referring to the WTO's "central role" in improving these disciplines. The group proposes a renewed commitment to continue work in clarifying and developing better disciplines, taking into account the UN Sustainable Development Goal Target 14.6, and recognising the importance of effective S&DT for developing countries as part of such negotiations.

Joint Proposal by Brazil, China, Indonesia, Peru and Switzerland (WT/MIN15/W20)

This proposal aims to find a solution on the following TRIPs issues:

- establishment of a multilateral register for geographical indications for wines and spirits;
- extension of the effective level of protection of Article 23 of the TRIPs Agreement to geographical indications for all products; and
- inclusion of a mandatory disclosure requirement for genetic resources and traditional knowledge in patent applications.

G-90 (WT/MIN(15)/W/31)

The goal of the G-90 proposal is “to take concrete action to address concerns raised by many developing-country Members, in particular, Least-Developed Countries and Small Vulnerable Economies, **on agreement specific S&DT provisions** reflected in proposals submitted by them in the Doha Development Agenda negotiations.”

The submission by G-90 reflects the aforementioned proposals and deals with various WTO Agreements including the General Agreement on Tariffs and Trade (GATT), the Agreement on Agriculture, the Agreement on The Application Of Sanitary And Phytosanitary Measures, the Agreement on Technical Barriers to Trade, the Agreement on Trade-Related Investment Measures, the Agreement on Safeguards, the Agreement on Subsidies and Countervailing Measures and the Agreement on Customs Valuation.

These proposals concentrate on market opportunities, Net Food Importing Developing Countries (NFIDCs), greater coherence in global economic policymaking, food Security for Least-Developed Countries and various other developing and least developed Members’ concerns.

Individual Country Proposals

The **Russian (WT/MIN15/W32)** and **Brazilian (WT/MIN15/W/23)** proposals deliberate upon the issue of compatibility between the multilateral trading system and numerous regional trade agreements, recommending additional rules for conclusion and implementation of RTAs to secure the interests and create more predictability for Members which do not participate in such RTAs. Brazil also proposed that the WTO Committee on Regional Trade Agreements should map the systemic implications of these accords and their coherence with WTO rules.

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- 1 Australia, Brunei Darussalam, Canada, Chile, Colombia, Costa Rica, Fiji, Hong Kong China, Iceland, Israel, Kenya, Korea, Lao People’s Democratic Republic, Liechtenstein, Malaysia, Mexico, Myanmar, New Zealand, Norway, Pakistan, Panama, Paraguay, Peru, Russian Federation, Singapore, Switzerland, Chinese Taipei, Thailand and Turkey.
- 2 SVEs in the period 1999 to 2004, had an average share of (a) world merchandise trade of no more than 0.16% or less, and (b) world trade in non-agricultural products of no more than 0.1% and (c) world trade in agricultural products of no more than 0.4%.

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