



**General Council
10 and 18 May 2017**

MINUTES OF THE MEETING

HELD IN THE CENTRE WILLIAM RAPPARD ON 10 AND 18 MAY 2017

Chairpersons: H.E. Mr Xavier Carim (South Africa)

At the outset, the Chairman bade farewell to Amb. Anjali Prasad (India) who was leaving her post at the WTO and thanked her for her contributions.

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I ADOPTION OF THE AGENDA

1. At the General Council meeting on 10 May, the Chairman said that the items proposed for the Agenda of the meeting were contained in document WT/GC/W/732. He noted that under "Other Business", he would have two statements to make: one related to the Chairmanship of the Working Group on Trade, Debt and Finance and the other in connection with the revised Administrative Measures for Members in arrears. He asked if that was acceptable to delegations.

2. The representative of India said that it was her duty that day to convey that India would like to express its reservations on the inclusion of the proposed agenda item 5 on Trade and Investment Facilitation at that day's General Council meeting. While her delegation thanked the proponents for the various submissions and proposals, India believed that the so-called subject – Investment Facilitation – did not lie within the purview of the General Council and the WTO itself. India could elaborate on the reasons for that position, if so desired. Procedurally, as per Rule 6 of the Rules of Procedure for meetings of the General Council, the first item of business at each General Council meeting should be the consideration and approval of the agenda proposed. If there was no consensus on the inclusion of any proposed item on the agenda, the item could not be included in the agenda. Hence, at that stage, India objected to the inclusion of item 5 in the agenda and expressed inability to join consensus on the adoption of the agenda as had been proposed. India could however support the adoption of the rest of the agenda with the exclusion of item 5.

3. The Chairman said that Members had heard the view expressed by India who could not join the consensus on the agenda as it stood but had indicated that it was prepared to join a consensus on an agenda if item 5 was removed.

4. The representative of China wished to clarify a few points regarding the concern raised by India on the agenda.

5. First, China and the FIFD members had requested the inclusion of the agenda item on trade and investment facilitation and had submitted the relevant documents according to the Rules of Procedure for meetings of the General Council in WT/L/161. The joint proposal aimed to provide transparency and to announce the informal dialogue in the WTO Membership. As had been suggested, substantive proposals on that topic would be discussed in the informal dialogue instead of the General Council.

6. Second, China understood the legitimate concern from Members who suggested the withdrawal of the item from the agenda. China was committed to the remaining DDA issues and the Nairobi Declaration. The informal dialogue only aimed at information sharing instead of negotiation. Any outcome from the dialogue would not be pre-judged. China did not believe that the informal dialogue would affect negotiations in the DDA.

7. China and other FIFD members had not been seeking for any decision to be made in the General Council. China believed that information sharing and raising issues in the General Council were consistent with WTO Rules. China therefore suggested that item 5 be kept on the agenda.

8. The representative of the Russian Federation was deeply concerned with the systemic implications of the statement made by India. Russia could not agree with it and insisted that Members had the legitimate and fundamental right to raise any issue they felt important to the Membership in the agenda. The issue of trade and investment facilitation should therefore be kept on the agenda under item 5 as had been proposed.

9. The representative of Nigeria supported the statements made by China on behalf of FIFD members and by the Russian Federation. While taking note of the concerns expressed by India, Nigeria appealed for India's reconsideration in light of the points mentioned by China in relation to the role of the General Council, particularly as far as the discussion was concerned and, more importantly, due to the fact that it would not in any way draw priority attention away from the Doha issues and other issues of paramount importance to India and to the rest of the Membership. The FIFD members neither intended to undermine the policy space nor the right to regulate investment. The issues raised were purely on investment-related facilitation and without prejudice to anything that could arise therefrom.

10. The representative of Pakistan endorsed the views expressed by China, Nigeria and the Russian Federation. Pakistan believed that it was an informal dialogue that was being suggested which would greatly enhance the effectiveness of the organization. It was not about formalizing Investment Facilitation into the organization's business, but rather one that would initiate a dialogue. Pakistan therefore requested India to review the situation and submitted that that item be kept on the agenda.

11. The representative of Norway noted that his delegation was not a proponent of the item but he raised Norway's flag out of systemic concerns. Norway did not think it was a good approach to prevent Members from raising issues that they would like to discuss in the General Council – issues that Members considered relevant to the work of the WTO. Members had heard what China had said. The proponents were not suggesting initiating negotiations on Investment Facilitation. They were simply taking the opportunity to inform other Members of an informal process that they wanted to initiate. Members needed to think clearly about the long-term consequences of blocking individual items. If Members started blocking other Members from putting items on the General Council's agenda, they could set a dangerous precedent Norway clearly warned against – opening a Pandora's Box. Norway strongly argued against that because blocking an item from being discussed could develop into a practice that would be to the detriment of the interest of all Members, including those who would oppose it on the agenda that day.

12. The representative of Mexico supported the statements made by China, the Russian Federation, Pakistan and Nigeria. The intention of that item on the agenda was simply to begin an informal, inclusive and transparent dialogue in topics on investment which were closely linked to trade such as Investment Facilitation. The beginning of negotiations on a multilateral level would have to be convened by all Members. Mexico therefore requested for India to re-think its position and reiterated his delegation's interest in keeping that item on the agenda.

13. The representative of Chile said that information sharing was important and that the topic was closely linked to trade which warranted to be discussed. As had been mentioned by China, it was a topic that could perfectly be incorporated into the agenda that day. Consequently, Chile supported the statements of previous colleagues and would like to see that item be kept on the agenda of the General Council.

14. The representative of the European Union noted that it was not a proponent of that item, but wished to intervene because his delegation also had difficulties to understand the objection. The European Union subscribed to the substantive and systemic concerns that had been raised by previous speakers because investment fell squarely within the remit of the WTO; what was proposed was a dialogue and not negotiations; the item was for transparency purposes only; and, what was proposed was a dialogue that was inclusive. Did Members want to have a dialogue that was not inclusive?

15. The representative of Colombia supported China with regard to the objectives, interests and procedures for the informal discussions on the various aspects that Investment Facilitation involved. In addition to the systemic considerations that had already been mentioned by several delegations, Colombia's objective in supporting a discussion on Investment Facilitation in the WTO framework was to seek to promote more inclusive growth including through international cooperation which would attend to the needs of Members particularly the developing ones.

16. The representative of the Republic of Korea noted that it was not a proponent, but that Korea had serious concerns with India's statement from a systemic perspective. Legally speaking, it could be true that the adoption of the agenda needed consensus, but the right to block the agenda

should be exercised with extreme care so that it would not create a dangerous precedent. In terms of the substance of matters, it was difficult to understand why they thought the item was not within the purview of the WTO. There were a number of provisions in the existing agreements that dealt with investment. The organization had even had a Working Group that dealt with the issue of the relationship between trade and investment.

17. The representative of Uganda said that as his delegation had previously indicated, Uganda regretted that the item had been put on the agenda on that day's Council meeting. As had been indicated before, including in the Heads of Delegation meeting, Uganda believed that the item was misplaced and it was being smuggled in. There was no mandate to discuss the issue. Uganda could not and should not promote a process that did not seek to play by the rules simply for the purposes of expediency.

18. Paragraph 1(g) of the July Framework of 2004 said *inter alia* that those issues mentioned in the Doha Ministerial Declaration in paragraphs 20 to 22, 23 to 25 and 26 respectively would not form part of the work programme set out in the declaration and therefore no work towards negotiations on any of those issues would take place within the WTO during the Doha Round. Investment was one of those issues that had been referred to. Uganda would not agree to any attempt intended to create new facts on the ground without going through due process.

19. Members had argued that they intended to simply use that opportunity as a platform for sharing experiences and to allow a dialogue to take place on investment. Uganda's view was that Members were free to meet whenever and to discuss whatever issue that was of interest to them. In fact, Uganda had been part of some of such discussions. However, to bring an issue to the same Council that had prohibited it was an exceptional act of bad faith and high handedness.

20. All Members, except for a very small minority, had been arguing for the preservation of mandates including on agriculture with respect to substantial reduction of trade-distorting domestic support. The LDC issues were all premised on mandates – DFQF, Rules of Origin, Services Waiver and Cotton, among others. Would anybody pay attention to the LDCs if they raised an issue without a mandate? Even in instances where there was a clear mandate such as in paragraph 44 of the Doha Ministerial Declaration, Members continued to stonewall the LDCs. Why then was the current issue so urgent and so important that due process could not be followed?

21. One of the reasons why the WTO was still of interest to developing and LDC Members was that it offered all of them an equal and codified platform of engagement. With that single act, Members wanted to repeal one by one all the protective gear available to small and less powerful Members. There was no such thing as mere discussion if it sought to torpedo the due process that all of them had relied on in that august house. How was it possible that the Members who had acknowledged the strong legal structure of the organization in paragraph 30 of the Nairobi Ministerial Declaration were the same ones invited to tear it apart?

22. Uganda called upon Members to exercise maximum restraint so as not to let the organization transform itself into a club where only the strong would survive. As his delegation had warned before, Members would slowly reach that point where the great question of the day would not be resolved by speeches and resolutions but by might against right. While it ought to be clarified that Uganda was not opposed to discussions on any new issues, it was its view that any issue without mandate should not waste Members' time.

23. The representative of Paraguay supported the idea that the WTO should play a role in investment. One of the key messages his delegation had taken from the MIKTA seminar was that trade was investment and investment was trade. In Buenos Aires, MERCOSUR members had recently adopted a protocol of cooperation in Investment Facilitation. Paraguay hoped that they could replicate it in the WTO context by the end of the year and supported the keeping of item 5 on the agenda.

24. The representative of Hong Kong, China was primarily concerned that Members were denied the opportunity to discuss matters that were relevant to the WTO's work and of considerable interest to a large number of WTO Members. Hong Kong, China echoed the systemic concerns expressed by previous speakers. As a proponent, her delegation wished to keep item 5 on the agenda and to emphasize that the item was only for information sharing and not for launching

negotiations. Hong Kong, China had no intention to pre-judge the outcome of the informal dialogue and hoped that other Members would not pre-judge the merit of the discussion.

25. The representative of Australia had real systemic concerns about any attempts to block the adoption of the agenda or to remove any item that had been rightly included in the agenda in accordance with the Rules of Procedure of the General Council.

26. The representative of Turkey reminded Members that in the February GC meeting, Australia had made a statement on behalf of MIKTA countries regarding the trade and investment workshop held in March. China had also communicated that it had been reaching out to Members to work together in an open-ended Friends of Investment Facilitation for Development Group. A number of Members had expressed interest in the trade and investment related discussions. One Member had pointed out that Investment Facilitation related discussions needed a home instead of taking it under the "Other Business" item of the Council's agenda. It was apparent that there was interest from Members for an informal discussion on the issue. Turkey also understood that there could not be convergence on how to move forward with such a discussion or if they should move forward at all. Members should be able to express themselves on issues they deemed relevant to the current dynamics of world trade especially if there had been an interest expressed by Members regarding a specific issue. Blocking the adoption of the General Council agenda because of an objection to a specific matter – more so as the current one was only for information purposes – could set bad precedence for the future with a potential that could hamper the smooth working of the Council. Turkey wished that item 5 be kept on the agenda.

27. The representative of the Plurinational State of Bolivia said that Bolivia did not have any issue with adopting the agenda, but it fully shared the concerns expressed by India and Uganda. International Investment Agreements had mostly been negative for developing Members in the past twenty years. Members had adopted a decision to exclude that subject which should be respected. The WTO was moreover not the most appropriate forum to deal with investment.

28. The representative of Switzerland said that his country was not a co-sponsor of item 5 on the agenda but it would like to express great concern on the objection. To oppose item 5 would lead to a grave situation with systemic repercussions, especially when the justification for including the item was strong. Currently, the co-sponsors of the item on the agenda only sought transparency and exchange of information and did not propose negotiations. As had been raised by other delegations, the issue of investment was an integral part of the topics covered by the WTO. Trade in Services under mode 3 and the TRIMS Agreement were also included. Members did not need a mandate from the Ministerial Conference to discuss within the General Council items that were directly related to international trade. Switzerland believed that item 5 should be kept on the agenda for adoption.

29. The representative of Singapore shared the serious concerns expressed by others from a systemic perspective. Singapore called on Members to be careful with the dangerous precedent of blocking the GC agenda and to keep in mind the longer term perspective on the impact such a move would have on the WTO. The General Council should remain a platform for Members to raise and discuss all issues of interest and relevance to the WTO.

30. The representative of Costa Rica noted that even if it was not a proponent, Costa Rica was always willing to listen to what fellow Members had to say about any trade-related issue. Costa Rica's concern was systemic as it understood that Members were not making rules about investment that day. The proponents simply wished to start a dialogue like other trade-related issues that had been started in the past. If Members were not able to have a civilized, informative, transparent and inclusive conversation about a world trade issue at the World Trade Organization, then where? If the representatives to the World Trade Organization could not speak openly and inclusively about a world trade issue, then who? And if they could not address an issue that a group of Members considered pertinent to their world trade interests in that particular juncture of world trade history and its very special circumstance, then when? Costa Rica therefore wished to re-consider the adoption of the agenda as had been originally proposed – including item 5.

31. The representative of Ecuador noted that Members were dealing with a topic that should be the subject of a more serene and calm analysis. Investment was essential for Ecuador – a basic, important subject, fundamental for all Members. Ecuador therefore recognized the importance of

item 5. However, Ecuador was currently denouncing two bilateral investment treaties not only due to its economic interest but also for its sovereignty and economy in general. His delegation was anxious to see an international body that contemplated Investment Facilitation and agreed with what Bolivia had said as Members were confronted with that substantive issue.

32. Being in a large body dealing with trade, Members should be able to deal with various topics and make progress on those topics at the same time. Ecuador however likewise understood India's position because what was happening in practice was that they were setting aside previous decisions. Members were consequently confronted in the General Council not with a conflict of interests but a conflict of decisions. There was a lack of coherence between the decisions that were being taken by the General Council. There were decisions that had been invoked. But there were other decisions by Members which were being set aside despite also being agreed to by consensus such as the Doha Declaration and those justifying India's position and supported by Uganda. The absence of consistency with the decisions of that body was no exaggeration. The organization would therefore benefit from making its decisions more consistent.

33. The representative of New Zealand supported a number of interventions that had been made on systemic issues. Costa Rica had put the big questions in the most eloquent sense. Purely on the systemic points that had been raised, New Zealand was amongst the strongest proponents of the delivery of the unfinished business such as the reform of distortions to agricultural trade as had been identified in the Doha Round mandates. He did not see how a simple discussion of an issue properly put on the agenda could in any way overturn or contradict a decision as had been referenced by Uganda unless and until another decision was taken. Clearly, it could not. The decision therefore stood. As Members had heard from those suggesting to set it aside on the agenda that day, there was no contradiction between the discussion of an issue that day and the decision about what the house would negotiate on. It would be a very dangerous precedent if Members would block the ability to put issues on the agenda for discussion. They could say what they thought about those issues during a discussion but if they would allow for the blocking of an issue perhaps they would not have any agenda.

34. The representative of Uruguay said that if there were Members that wanted to include an item on the agenda that was their right, especially if it was a proposal for an informal dialogue. That was provided for in the General Council.

35. The representative of Japan noted that his delegation was not a proponent. However, Japan believed that trade and investment were inseparable in today's world of global value chains. Having discussions on investment at the WTO was therefore relevant. Japan shared the concerns of the previous speakers on the systemic consequences. Members should have the right to discuss whatever issues they believed were important and relevant to the organization.

36. The representative of Chinese Taipei supported the inclusion of Investment Facilitation on the agenda and echoed the systemic concerns expressed by previous speakers. The proposal was for a dialogue and not a negotiation. The blocking of an item which Members had interest in would have negative impact on the WTO and the negotiations.

37. The representative of the United States said that the United States was not only not a proponent of any of the papers tabled in connection with item 5, but it had in fact substantial doubts about many of the issues raised with regard to Investment Facilitation and would be prepared to express some of those doubts in the discussion that would come up under that item. However, the United States felt that the item had been placed on the agenda appropriately, and would welcome the opportunity to express its views.

38. The representative of Canada noted that it was not a proponent. However, Canada thought that it was a relevant topic for discussion – a discussion on a transparency issue. For Canada, blocking an item for discussion particularly where the issue related more to transparency more than anything else was a systemic concern. Informal discussions on Investment Facilitation would take place among those that were interested in discussing it regardless of what Members would decide that day. But it would be better for it to take place in a transparent manner rather than being smuggled or done under the table. Canada's reading of what the proponents had proposed was simply to share to Members what they wanted to do. They had put the item on the agenda following all the proper rules. Canada therefore supported keeping item 5 on the agenda.

39. The representative of the Kingdom of Saudi Arabia said that investment and WTO remained relevant. Members would not want to send signals. They should rather treat investment as a way to drive prosperity to their people. If they would not discuss the subject, it would also not help the discussion of other subjects particularly as the Ministerial Conference drew closer. The success of that meeting was of urgent importance to the organization.

40. The representative of the Republic of Moldova said that while Moldova was not a proponent, item 5 should be kept on the agenda. Trade and Investment Facilitation fell under the mandate of the WTO. If Members disagreed on discussing an issue especially if it involved transparency, how could they agree on that or any other issue and take further action given that there would be no decision without action? The blockage had the potential to set a bad precedent particularly in the context of the talks on MC11. The idea of consensus could also be compromised. Time was running out. The pressure was mounting ahead of MC11. One way to diffuse the pressure would be to start talking to each other. Communication on that topic would be essential. Moldova wished to keep the discussions legal and to avoid any illegal activities, including other acts from the criminal procedure code.

41. The representative of Indonesia thought that the organization had failed to impress him in his first day as Members were bickering over the adoption of the agenda. As his delegation had listened attentively to the argument of the proponents and the opponents, Indonesia echoed the view of the importance of avoiding the creation of any dangerous precedents. If Members could not do it that day, any delegation could still do it anytime in the future on any agenda – which should be avoided. Any delegation had the right to have reservations or objections to any subject to be discussed in the organization. However, Indonesia wished that any delegation that would choose to do so would not stand in the way of the adoption of the agenda particularly if it was supported by majority of the Members. It could rather express its intention to disassociate with the agenda rather than blocking it totally. Indonesia shared the view expressed by various previous speakers that the issue of trade and investment facilitation fell under the purview of the WTO.

42. The representative of India said that her delegation could elaborate on the reasons for that position since some delegations were alluding to that position as blocking for the sake of blocking.

43. India recognized and respected the right of Members to put items on the agenda. But which item was rightly included, as one delegation had mentioned, was to be decided as per the legal structure of the organization. It was equally the right of Members to object to an agenda item. It was precisely because of a grave systemic concern that India had raised the issue. India assured the Membership that it was with extreme care that the matter had been examined and raised.

44. The WTO was a rule-based institution. Any and every subject was not within the domain of the WTO as had been laid down in the Agreement Establishing the WTO. If Members had to start seeing it as an institution for discussion of any and every subject, it would destroy the rule-based character of the institution.

45. India believed that investment as a subject did not lie within the scope of discussions or negotiations at the WTO. All Members acknowledged the strong legal structure and rule-based Member-driven character of the organization. An essential element of the strong legal structure of the WTO was that the functions and responsibilities of the WTO were informed by the Marrakesh Agreement Establishing the WTO and the other multilateral trade agreements.

46. There were two broad functions of the WTO under the WTO Agreement: first – facilitating implementation of existing agreements; and second – providing the forum for negotiations among Members concerning their multilateral trade relations.

47. Article III.1 of the WTO Agreement stated that "the WTO shall facilitate the implementation, administration and operation and further the objectives of this Agreement and of the multilateral trade agreements". What was being referred to as Investment Facilitation did not fall within the ambit of implementation, administration and operation and furthering the objectives of any of the multilateral trade agreements.

48. In that context, it was to be noted that the General Council should carry out the functions assigned to it by the WTO Agreement. Thus, the General Council could not function outside the ambit of the WTO Agreement. Discussion on the so-called Investment Facilitation in the General Council would necessarily imply that the General Council was functioning outside the ambit of the Agreement Establishing the WTO.

49. Further, Article III.2 of the WTO Agreement stated that, "the WTO shall provide a forum for negotiations among its Members concerning their multilateral trade relations."

50. Investment Facilitation which supposedly dealt with facilitating investment did not pertain to multilateral trade relations. Investment per se was not trade. It could or could not result in cross-border trade which was the subject of multilateral trade relations. Investment covered a wide range of assets or enterprises that were subject to a separate universe of bilateral obligations.

51. All Members were aware of the multitude of bilateral investment treaties that covered aspects of facilitation, protection and dispute settlement in varying degrees. The so-called Investment Facilitation or Protection could not therefore be characterized as addressing multilateral trade relations and the contours of the two were totally different. Therefore, India did not believe that it had relevance in the context of multilateral trade relations.

52. Because trade could not occur without investment and therefore investment was a part of multilateral trade relations was too far-fetched an argument.

53. As far as the existing multilateral trade agreements were concerned, the Agreement on TRIMS and the GATS already dealt with trade-related investment aspects in the areas of goods and services respectively.

54. The TRIMS Agreement dealt with investment measures that could cause trade-restrictive and distorting effects and related only to trade in goods. The agreement was strictly trade-related and needed to be understood in the context of the trade-distorting investment measures. Any such discussion on such investment measures should take place in the TRIMS Committee.

55. The GATS dealt with supply of services through commercial presence in the territory of any other Member which was related to trade in services and not purely investment.

56. However, neither the TRIMS Agreement nor the GATS provided the context for a general discussion on policies, rules and regulations surrounding investment.

57. Further, the work towards negotiations on the relationship between trade and investment issues which was outlined in paragraphs 20 to 22 of the Doha Ministerial Decision had been stalled under paragraph 1(g) of the July Framework.

58. More recently, paragraph 34 of the Nairobi Ministerial Declaration noted that while some Members wished to identify and discuss other issues for negotiations, others did not. That indicated clearly that there was no consensus on the identification and discussion on those so-called other issues for negotiations. The so-called Investment Facilitation was one such issue that was identified by a few as a new issue but India did not subscribe to that identification and need for discussion.

59. India therefore objected to the inclusion of investment issues including the so-called Investment Facilitation in the WTO and was not in a position to agree to the inclusion of the agenda item Trade and Investment Facilitation in the regular agenda of the General Council.

60. Members who had an interest in that subject were entitled to take up informal discussions on that or any other subject outside the formal structures of the WTO. They had seen the MIKTA take that up outside the formal bodies of the WTO.

61. India was not in a position that day to agree to the adoption of the agenda with item 5 included in it as her delegation opposed inclusion of investment-related issues on account of grave, serious and dangerous systemic and substantive concerns.

62. The Chairman noted that Members had heard all the statements. They had listened very carefully to what Members had said. It was apparent that there was no consensus on adopting the agenda contained in WT/GC/W/732. Unless any delegation had an alternate proposal and suggestion that was agreeable to everyone, he proposed to suspend the meeting and to resume as soon as possible after he had had the opportunity to consult with delegations on the matter.

63. The representative of China said it seemed that it was inevitable to suspend the meeting under the current circumstance. It was very unfortunate for Members and the WTO. If that was the case, they had to face the reality. With regard to the consultations, Members needed plenty of time given the serious differences among them. They would need a few hours or a few days but certainly not a few minutes. He therefore proposed to let other Members go home rather than keeping them at the WTO as they waited for the outcome.

64. The Chairman suspended the meeting, requested Members to remain on call and announced that the General Council would reconvene as soon as possible and possibly at very short notice.

65. At the reconvened General Council meeting on 18 May, the Chairman recalled that at the time of suspending the General Council on 10 May, he had indicated that he would initiate consultations with Members with a view to reconvening the General Council as soon as possible, and to be in a position to adopt an agenda agreed by all. He had indeed held a series of consultations and he believed they could then be in a position to adopt their agenda based on the following:

"At the time of suspending the General Council on Wednesday 10 May, I indicated that I would initiate consultations with Members with a view to reconvening the General Council as soon as possible, and to be in a position to adopt an agenda agreed by all. I have indeed held a series of consultations and I believe we may now be in a position to adopt our agenda based on the following:

Agenda Item 5 is reformulated as "Communications on MIKTA Workshop and Informal Dialogue on Investment Facilitation" to allow for an exchange of views on the initiatives that some Members have had, or plan to have, in respect to informal dialogues on investment facilitation.

Members will recall the July 2004 General Council Decision (as contained in WT/L/579) as well as paragraph 34 of the Nairobi Ministerial Declaration. All the statements made at the General Council on 10 May 2017, at the time of considering the proposed agenda, are recorded in the minutes of this meeting.

It is noted that the proponents seek to share information on informal dialogues on investment facilitation, and that the communications do not constitute proposals for negotiations. Proponents believe that informal dialogues on investment facilitation are important.

It is also noted that some Members believe that investment facilitation does not lie within the scope of the WTO and hence the General Council.

Finally, pursuant to rules 2 and 4 of the Rules of Procedure for the General Council, we note that the General Council is not required to take any decisions under this item of the agenda.

I am making this statement under my own responsibility, and I trust we are now in a position to adopt the agenda as amended."

66. The General Council adopted the Agenda¹ with the proposed amendments as the Chairman had spelled out in his statement.

¹ The adopted agenda was subsequently circulated in document WT/GC/W/732/Rev.1.

1 REPORT BY THE CHAIRMAN OF THE TRADE NEGOTIATIONS COMMITTEE

1.1. The Chairman recalled that, on 8 May, Members had had an Informal Meeting at the level of Heads of Delegation² where he and the Chairs of the Negotiating Groups had provided detailed reports³.

1.2. The representative of Cameroon did not intend to make a specific statement having taken part in the consultations organized by the Director-General. Cameroon rather wanted to clarify the item under discussion – the report of the Chairman of the Trade Negotiations Committee. Cameroon raised the point that the TNC as a body had not had a meeting for quite some time and his delegation would like to know if that practice would continue in that way or whether in the future they would have specific informal or formal TNC meetings, depending on the context and configuration, especially given the upcoming Ministerial Conference.

1.3. The Director-General said that the Informal HODs was a report by him as TNC Chair and an opportunity for Members to talk about other issues that they wanted to reflect upon. The TNC Chair's report and Members' statements were made at the Informal HODs and were formalized at the General Council meeting after being taken note of and incorporated as part of the minutes of that meeting.

1.4. The representative of Cameroon wanted to know if the meetings of the TNC were suspended formally. That was the clarification his delegation was seeking because in the past they had meetings of the TNC as such and not Informal HODs the content of which was examined under item 1 of the agenda.

1.5. The Director-General said that the TNC met every time a negotiating group convened since negotiating groups met under the TNC. The NG Chairs reported to the Director-General as the TNC Chair. In turn, the Director-General reported to Members on what had happened in all of those meetings. Those reports were then formalized in the General Council. That was the way it had been happening for quite some time and it seemed to be working so far. But if Members would want to change that practice, he would not have any problem.

1.6. The representative of Uganda understood Cameroon's question and took note of the clarification by the Director-General. Members used to have formal meetings of the TNC but it seemed that after Nairobi they did not meet in a formal configuration of the TNC. They rather met in what was known as the HODs configuration. As it was informal, within that particular configuration, there had not been any historical footprint in terms of minutes or proceedings of the informal HODs. From what he had understood, the question was therefore whether there had been a formal suspension of the formal TNC as it used to meet in the past and if that had then been replaced by the HODs.

1.7. The Director-General thought he had responded to that already and noted that the meetings of the TNC happened every time the negotiating groups met. In Negotiating Group meetings, the Director-General reported to Members through the respective Chairs on the status of the negotiations. Those reports could be done there or in the General Council under the item on the report of the TNC Chair. Those reports and statements from delegations would then be taken note of at the GC meeting. The only innovation was that instead of giving those reports and statements at the General Council meeting, they had added another date for that to facilitate the conversations in the General Council. He did not however have any problem if Members would

² The statements in relation to the 8 May Informal Meeting at the level of Heads of Delegation by the following delegations are incorporated in the minutes of this meeting and can be found in Annex 2 of this document: Cambodia (LDCs); Rwanda (African Group); Guyana (ACP); Nepal; Philippines (ASEAN); India; Costa Rica (FEDS – Friends of E-Commerce for Development); Japan; Ecuador; China; New Zealand; Cuba; European Union; Plurinational State of Bolivia; Montenegro; Chile; Uganda; Brazil; Republic of Korea; Mexico; Russian Federation; Hong Kong, China; Pakistan; Switzerland; Indonesia (G-33); Mali (C-4); Bangladesh; Bolivarian Republic of Venezuela; Zimbabwe; Solomon Islands; Tunisia; Paraguay; Fiji; South Africa; Morocco; United States; Cameroon; Colombia; Uruguay; Canada; Norway; Nigeria; Kingdom of Saudi Arabia (Arab Group); and, Kenya.

³ At The Director-General's request, his report and those of the Chairpersons of Negotiating Groups at the 8 May Informal Meeting at the level of Heads of Delegation are incorporated in the minutes of this meeting and are reproduced in Annex 1 of this document.

decide to bring it back to the General Council meeting. Substantively, nothing was going to change.

1.8. The representative of Cameroon said that the TNC was a body of the DDA and conferred responsibilities to the Director-General. What had been set aside for the informal process could have been an efficient set up but one could ask oneself whether that was appropriate in a rules-based organization. In the HODs configuration, delegations participated through "Ambassador plus one" which did not have the advantage of having the full support required unlike in the TNC configuration. They had different practices in the past. Cameroon would therefore like to know whether the TNC meetings had a particular way of functioning which should be revived and whether they should go back to that.

1.9. The Director-General said the most recent formal meeting of the TNC had been held in July 2015. Members could change the way of conducting business. If Members wanted to do that, they would do that by changing it back to TNC.

1.10. The General Council took note of the Director-General's and the Negotiating Group Chairs' Reports, of the statements as delivered at the HODs meeting on 8 May and of the other statements.

2 IMPLEMENTATION OF THE BALI AND NAIROBI OUTCOMES – STATEMENT BY THE CHAIRMAN

2.1. The Chairman⁴ recalled that that item was introduced on the agenda to continue to follow up the Ministerial decisions adopted in Bali and then Nairobi – and to do that in an inclusive and transparent manner. In the same spirit, and to effectively fulfil the mandates, he suggested that they kept that item on the agenda and that he continued to provide a report on implementation matters at their meetings where updates were available.

2.2. On 2 May, he had met with the newly-appointed Chairs of Regular Bodies to discuss implementation issues and to review the collective agenda that year. They had a productive exchange and he thanked them for their cooperation and for the work they were taking forward in their respective bodies. Their updates from that meeting formed the basis of his statement.

2.3. Concerning the decision on TRIPS non-violation and situation complaints, the TRIPS Council had discussed the matter at each of its meetings since MC10, including at its last meeting in March. Members remained divided on whether such complaints should apply to TRIPS, whether there was a need to establish scope and modalities and whose task it would be to propose possible elements for scope and modalities. The incoming TRIPS Chair would continue to explore options for possible ways forward with delegations before and at the TRIPS Council's next meeting in June.

2.4. Regarding the decision on the Work Programme on Electronic Commerce, discussions had been taking place in the Goods Council, the Services Council, the TRIPS Council and the CTD based on a number of submissions which were circulated in some or all of those four bodies. In line with the Nairobi Decision, the General Council would have a review of progress on the work programme at its July meeting.

2.5. On Aid for Trade, the next CTD Aid for Trade session and accompanying workshop would be held on 30-31 May. That workshop was a stepping stone to the 2017 Global Review of Aid for Trade to be held on 11-13 July with the theme "Promoting Trade, Inclusiveness and Connectivity for Sustainable Development".

2.6. Moving to Agriculture, with respect to the Nairobi Decision on Export Competition, the second dedicated discussion on export competition would take place during the June meeting of the Committee on Agriculture. As in the past, the discussions would be held on the basis of the Secretariat's background document on export competition circulated on 10 May. That document was based on the replies to the export competition questionnaire received from 33 Members, which was comparable to the response rate in 2016.

⁴ The Chairman's statement was circulated in JOB/GC/125.

2.7. With respect to the implementation of the Bali Decision on TRQ Administration, several Members were reporting fill rates. According to the Decision, a review of the operation of that Decision should begin no later than the end of 2017.

2.8. As regards the implementation of the Decision on Public Stockholding for Food Security Purposes, no Member had sought to use the interim solution. The Committee on Agriculture had not therefore been called upon to take action and no information had been provided by Members in the context of the monitoring foreseen.

2.9. Regarding Development and LDC issues, Duty-Free Quota Free market access for LDCs, which was among the Bali Decisions, remained a standing item on the agenda of the CTD. Discussions would continue at the next CTD meeting in June.

2.10. The situation remained unchanged with respect to the Monitoring Mechanism on Special and Differential Treatment, where no written submissions by Members had yet been made. In recent meetings, a number of Members had shared their thoughts and perspectives on why the Monitoring Mechanism was not being tested and also what they saw as possible ways forward. The next meeting of the Monitoring Mechanism would be held in June.

2.11. Concerning Preferential Rules of Origin for LDCs, several preference granting Members had informed the Committee on Rules of Origin of the efforts they were making to reform their rules of origin and to align them to the provisions and guidelines of the Ministerial Decision. In the Committee, Members had also adopted a new template for the notification of preferential rules of origin for LDCs. The templates should be submitted by all preference-granting Members by 30 June 2017. All preference-granting Members should submit information using the template even if notifications were made in the past to ensure the availability of updated and comparable information. The Committee had adopted a methodology for the calculation of utilization rates and the Secretariat had therefore prepared a first draft report of utilization rates in LDC duty-schemes. The format of the Report was being fine-tuned in collaboration with preference-granting Members so that it may be discussed later in the year. Discussions on those and other related aspects of the Ministerial Decision would continue throughout 2017 in the Committee.

2.12. On the operationalization of the LDC services waiver, at the March meeting of the Council for Trade in Services, LDCs focused on the preferential treatment notified by one Member, who then provided several answers and indicated that it would follow-up on the remaining questions bilaterally. The LDC Group also called on all preference-grantors to provide technical assistance aimed at building supply capacity in LDCs, and to undertake initiatives to raise awareness of the waiver preferences domestically. With the new notification submitted by Panama, the tally of notifications of preferences for LDC services and service suppliers received by the CTS was 24. As the Operationalization of the LDC Services Waiver was a standing item on its agenda, the Council would take up the new notification and the waiver more generally at its next meeting in June.

2.13. Work on Trade Facilitation continued to advance. Six additional Members had completed their ratification process since the Agreement entered into force on 22 February bringing the overall number of acceptance instruments to 118.

2.14. Progress had also been made on the notification side with five Members submitting input on their commitment designations since the Agreement's entry into force, mostly with respect to categories B and C. While that marked a welcome step in the efforts to bring those notifications up to the level of category A input, there was still a considerable amount of catching up to be done. Notifications were still outstanding on other parts of the Agreement such as on Articles 1:4 on 10:4, 10:6, 12:2 and 22.

2.15. Work would continue in the newly established Trade Facilitation Committee, a regular body under the Goods Council, which had held its inaugural session on 16 May. Members would be updated on progress of work in the Committee in the format used in other CTG subsidiary bodies such as via annual reports.

2.16. He hoped that the positive trajectory of WTO work on Trade Facilitation would continue. He urged all Members to do their best in fulfilling their commitments so that they could move that important agenda forward.

2.17. The Director-General updated Members on the Global Review of Aid for Trade which was just around the corner. The event would be held on 11-13 July and preparations were advancing well. They had received an enthusiastic response to the call for side events from Members and international organizations including regional development banks and others regional bodies. They had been able to accommodate all the requests communicated by Members and almost all of those that they had received from external sources.

2.18. In total, there would be slightly over 50 sessions spread across the three days of the Global Review. The diversity of submissions received and the broad range of topics should make for a rich discussion. In addition to the high-level plenary sessions, they also intended to have a few special thematic events including on the SDGs, LDCs, Gender Empowerment and Trade Facilitation. A draft outline of the agenda would be put on the WTO website later that week which would also include a link to the registration page. He encouraged all those who planned to attend including those based in Geneva to register so that they could put in place the appropriate arrangements. The deadline for online registration was 26 June. He thanked Members for their interest and urged them to ensure its success.

2.19. The representative of China noted that it was his first time to speak at the General Council as China's Ambassador to the WTO. He recalled that during his visit to Ecuador in October 2016, he had gone to the Museum of Oswaldo Guayasamin, the Ecuadorian master painter. On the wall, he had seen his famous quote in Spanish: "Mantengan encendida una luz que siempre voy a volver," which meant, "Keep a light burning, for I will always return."

2.20. When he had read that, he had been caught up in a moment of nostalgia. He had been thinking of the Geneva he had been away from over 6 years and he had been wondering when he could get back there. He had not expected to get back so soon.

2.21. The first time he had come to Geneva was in 1992 for the negotiations for China to rejoin the GATT. Ever since then, he had made about 52 visits to Geneva. After China had joined the WTO in 2001, he had traveled frequently between Beijing and Geneva for the Doha Round negotiations. Later on, he had been posted there as the DPR of China's Mission to WTO from 2008 to 2011. Within those twenty-plus years, he had been fortunate to have witnessed and participated in the historic process of China's integration into the multilateral trading system.

2.22. In the past six years since he had returned from Geneva to Beijing, he had mainly been in charge of China's outbound investment, foreign aid and bilateral economic and trade relations between China and countries in the regions of Americas and Oceania. He had been involved in the "Belt and Road" initiative including building infrastructure projects such as the Hambantota Port in Sri Lanka, the highway in Pakistan, the railway between Nairobi and Mombasa in Kenya and the industrial park in Sihanoukville in Cambodia, among others.

2.23. Those two types of entirely different working experiences reminded him of a debate that he had had with one of his colleagues at the mission when he had last held a post in Geneva. His colleague had been working on foreign aid and investment before coming to Geneva. She had told him that she had not liked her work there since she had preferred to work in Africa to build roads and bridges with China's aid and investment. With each road and bridge built, the African people had received real benefits. She had further added that in Geneva, one needed to spend days and nights fighting over a comma or a full stop, haggling over the word "shall" or "should" – typical much ado about nothing.

2.24. At that time, he had disagreed with her and had defended the work in Geneva. He had told her that their work had been as sacred and as useful as building roads and bridges. It was true that multilateral trade negotiation took time but once the international rules were agreed upon, those rules would have a lasting and systemic effect. After working for six years building roads and bridges around the world, he still believed he had not been wrong in that debate. But he had also achieved a better understanding of the complexities of the issue and its far-reaching background.

2.25. He often thought of the July Mini-Ministerial meeting in 2008 which had collapsed after nine days of painstaking negotiations in Geneva. His then Minister Mr. Chen Deming had used the Chinese word "Bei Zhuang" to describe that setback. "Bei" meant tragic and "Zhuang" meant heroic. It had therefore been a tragically heroic moment in the history of negotiations. Being

heroic meant that all Members had shared high hopes and great expectations to make a better world while being tragic meant that the Doha Round had stalled at the very moment when globalization had been badly in need of a strong push and Members had failed to stand united at the very moment when the multilateral trading system had been called upon to take action and play its role.

2.26. He had a strong awareness of how crucially important the multilateral trading system was. Over the past sixteen years, they had witnessed the dramatic changes that China had had since its WTO accession. It was true that China was a beneficiary of the multilateral trading system. One could even say that China was one of the major beneficiaries. But he could not agree that China was the largest beneficiary because it was untrue and did not reflect facts.

2.27. Members should put things in perspective and see the whole picture. The benefit that China had received from the WTO was inextricably related with and proportional to the hard work that China had done. China was a new-comer to the WTO so his delegation was much humble and serious with WTO rules. China had to redouble its efforts to catch up in the global competition.

2.28. In the early years following its WTO accession, China had amended thousands of laws and regulations and had conducted extensive training and education of WTO rules nationwide. The Chinese people had gradually learned and understood the spirit of the WTO featuring open market and rule of law and they had put those principles into their daily economic activities.

2.29. In the early 1990s, he had worked in a clothing factory in the Henan province located in the middle part of China. He still remembered that it had taken 44 different working processes to make a shirt for export and for each shirt the profit had only been twenty cents. At that time, almost all workers in that shirt factory had been young girls around twenty years old.

2.30. Twenty years later he had gone back to visit that factory and had only found that the old factory building had been deserted. Those young girls who used to work there had become mothers with grown-up children. They were living different lives after leaving the factory. But what they had in common was its physical impact upon their bodies resulting from those days of hard work with their crooked fingers and fading eye sight.

2.31. To a certain extent, China's economic success that day owed much to the sacrifice made by generations of young girls working hard in factories with their hands and eyesight. Hence, they did not owe an apology to anyone because what they had achieved was through their own hard work.

2.32. China was more than willing to continue to work together with countries around the world to make the cake bigger together and to share the cake in a much fairer manner. His delegation was ready to shoulder more responsibilities and to provide more global public goods ultimately achieving shared prosperity and win-win development. China had no intention to replace anyone or any country but it did not believe that some countries were more equal than others in global economic governance.

2.33. It was clear that the DDA was experiencing difficulties. But development remained the top priority at present. Like other developing countries, China also faced numerous challenges including optimizing the economic structure, reforming the financial system and making growth more sustainable. The road ahead continued to be long and winding.

2.34. Thirty years of experience of development in China had shown that, for developing countries to catch up, it was critically important to participate in the global value chains and then to move up to the higher end of the chains. That was no easy task and China expected the WTO to play a bigger role in creating a more favorable environment for developing countries to engage in trade.

2.35. Globalization and new technologies had brought both opportunities and challenges to all countries. Faced with challenges, building up walls was not a solution. Blaming each other would likewise not work. The only way out was to strengthen cooperation and coordination and to further enhance capabilities and effectiveness of global economic governance.

2.36. Members needed mandate for their work in the WTO. Mandates however did not fall from the sky but rather, to a large extent, from bottom-up discussions.

2.37. In Geneva, there were many colleagues who were having great vision and profound experiences which had enabled them to see more things and to have deeper thinking. Members should have more brainstorming to allow different thoughts to interact with each other from which insight and convergence would eventually emerge.

2.38. Members should respect the existing rules even if they were far from perfect. But their move to set new rules would not go far if they abandoned the existing rules. It would be like water without its source or a tree without its roots.

2.39. Although the task was daunting, Members should work hard on making new rules. If they did not do so, the organization would lose its relevance in the waves of innovation and finally drift into non-existence.

2.40. Members should not stay aloof to the difficulties encountered by investors from developing countries and they should not turn a blind eye to the demands of billions of people engaged in the global e-commerce.

2.41. One could say that there was no better form of democracy than the consensus-based decision-making and there was no better way to organize discussions than the bottom-up approach. The key to success however rested on how they could make full use of those good practices to help them better tackle current complex issues and to achieve tangible results.

2.42. 2017 marked the 200th anniversary of the publication of the book written by David Ricardo entitled "On the Principles of Political Economy and Taxation" which set out the theory of comparative advantage for international trade. History told them that trade remained the engine for economic growth and recovery. But as the Director-General had said at the B20 Summit in Berlin the previous week, "People began to forget the value of trade". WTO Members had the duty to take action and make more trade happen.

2.43. Members had an opportunity with the upcoming Ministerial Conference in Buenos Aires in December. All of them should therefore work towards a successful MC11 in the spirit of solidarity and pragmatism. And he looked forward to joining others in striving to achieve concrete results which would show to the world the value and the role of the WTO.

2.44. The General Council took note of the Chairman's report, the Director-General's statement and of the other statement.

3 WORK PROGRAMME ON SMALL ECONOMIES – REPORT BY THE CHAIRMAN OF THE DEDICATED SESSION OF THE COMMITTEE ON TRADE AND DEVELOPMENT

3.1. The Chairman recalled that, in line with the framework and procedures agreed by the General Council in 2002, the Work Programme on Small Economies was a standing item on the General Council's agenda and the Committee on Trade and Development reported regularly to the Council on the progress of work in its Dedicated Sessions. At Nairobi, Ministers had adopted a Decision reaffirming their commitment to the Work Programme and instructing the CTD to continue its work in Dedicated Sessions under the overall responsibility of the General Council. He invited Ambassador Taonga Mushayavanhu (Zimbabwe), Chairman of the Dedicated Session of the CTD, to report on developments in the area.

3.2. Ambassador Taonga Mushayavanhu (Zimbabwe), Chairman of the Dedicated Session of the CTD, recalled that the most recent report to the General Council had been made in February when it had been explained how the Work Programme on Small Economies had been addressing follow-up activities related to the Nairobi Ministerial Decision.

3.3. In their Decision on Small Economies, Ministers had requested the Secretariat to continue its work on global value chains and to also examine the challenges which small economies faced in their efforts to reduce trade costs particularly in the area of trade facilitation.

3.4. He reported that the sectoral reviews of Global Value Chains had been completed and that the SVEs had circulated a document based on the discussions which had taken place during the meetings held in 2015 and 2016. The document (WT/COMTD/SE/W/35) had been issued earlier

that month with the title "Outcomes from Discussions on the Challenges and Opportunities Experienced by Small Economies when linking into Global Value Chains in Trade in Goods and Services" and had been discussed at their recent Dedicated Session on Small Economies.

3.5. Also at the dedicated session, Members had heard a presentation by the Secretariat on its recently circulated paper (WT/COMTD/SE/W/34) entitled "Challenges and Opportunities Experienced by Small Economies in their Efforts to Reduce Trade Costs, particularly in the area of Trade Facilitation". He had asked Members to recall that the Secretariat had been asked to conduct work on that subject in line with the MC10 Decision in Nairobi. The document provided definitions of trade costs, described the most common sources of trade costs for SVEs and examined how trade policies, aid for trade and trade facilitation reforms could further reduce trade costs.

3.6. Some SVE Members had talked about their national efforts to reduce trade costs in specific sectors. There had also been a presentation by the STDF about how SPS controls could be carried out in a way that facilitated safe trade while minimizing transaction costs.

3.7. The representative of Guatemala, on behalf of the SVEs, thanked the CTD Chair for his report on the progress in connection with the Work Programme on Small Economies. As indicated in the Chair's report, they had concluded the discussion on the topic of challenges and opportunities experienced by small economies when linking into the global value chains in trade in goods and services. The SVEs had issued an outcome document circulated in WT/COMTD/SE/W/35 which identified the main challenges and recommendations for the group. That document would serve as a guideline for the group's future work. As mandated by the Ministers, their next topic for discussion would be on reducing trade cost. The SVEs thanked the Secretariat for the background document produced. They were analysing it as a group and they would come back with inputs for discussion at the next CTD dedicated session.

3.8. The General Council took note of the report of the Chairman of the CTD and of the statement.

4 ELEVENTH SESSION OF THE MINISTERIAL CONFERENCE

4.1. The Chairman recalled that in 2016 the General Council had agreed on the date and venue for the Eleventh Session of the Ministerial Conference which would take place in Buenos Aires, Argentina, in December 2017. As Members moved on in their preparatory process for MC11, there were a number of administrative matters on which the General Council had to take a decision. Those were indicated in the agenda for the meeting in sub-items (a) to (c) and were: (a) Election of Officers; (b) Attendance of Observers from Governments and International Intergovernmental Organizations; and (c) Attendance of NGOs. In that regard, he recalled that they had held an informal General Council meeting on 2 May where he had given an overview of the actions that the General Council would be expected to take at that day's meeting – and it appeared to him that the approach to be taken with respect to those administrative matters had been agreeable to delegations. They also had a fourth sub-item (d), in which the Logo of the Eleventh Session of the Ministerial Conference would be launched by Deputy Director-General Shark and a fifth sub-item (e) concerning the Trust Fund in support of LDC Participation in MC11.

4.1 ELECTION OF OFFICERS

4.2. The Chairman noted that the Rules of Procedure (Rule 12) for the Ministerial Conference established that "During the course of each regular session a Chairperson and three Vice-Chairpersons shall be elected from among the Members. They shall hold office from the end of that session until the end of the next regular session." He also recalled that at MC10, Ministers had requested the General Council to hold consultations with a view to deciding on the Election of Officers of the next Ministerial Conference. In that respect, he noted that the customary practice had always been that the Minister of the Government hosting a Ministerial Conference outside Geneva was elected as Chair. The three vice-chairmanships were then shared across the other broad groupings of Members. From the exchanges he had had with Members, including the informal General Council meeting on 2 May, he believed that they could repeat that past practice for MC11.

4.3. He therefore proposed that the General Council formally elect H.E. Minister Susana Malcorra, Minister for Foreign Affairs and Worship of the Republic of Argentina, to chair the Eleventh Session of the Ministerial Conference.

4.4. The General Council so agreed.

4.5. The Chairman said that as regards the three Vice-Chairs, in view of the fact that the Chair would come from Latin America and the Caribbean, and in line with customary practice, he would like to invite the coordinators of the other three broad groupings – i.e. (i) Africa, (ii) Asia and the Pacific, and (iii) developed countries – to consult with their constituents so that they could revert to that matter at the July Council meeting, and agree on the Vice-Chairs for MC11 at that time. He would also send a communication to the group coordinators on that matter after the General Council meeting.

4.2 ATTENDANCE OF OBSERVERS FROM GOVERNMENTS AND INTERNATIONAL INTERGOVERNMENTAL ORGANIZATIONS

4.6. The Chairman said that with regard to attendance of observers from Governments, as he had said at the meeting the previous week, his suggestion was to repeat past practice which was to invite the Governments with Observer Status at MC10 to attend MC11. That therefore concerned the governments with regular observer status in the General Council – with the due adjustments related to the accessions they had had since MC10 – plus the following five Governments which had previously been granted observer status only at Ministerial Conferences: Cook Islands, Eritrea, Niue, San Marino, and Tuvalu. Timor-Leste had also been among those Governments in the past. Members however knew that the situation had changed as Timor-Leste was already an Observer Government in the WTO following the start of its accession process in December 2016. He therefore proposed that the General Council agree to follow the procedure he had just outlined.

4.7. The General Council so agreed.

4.8. The Chairman said that with regard to the attendance of IGOs the Rules of Procedure established that, "Representatives of international intergovernmental organizations may attend the meetings as observers on the invitation of the Ministerial Conference in accordance with the guidelines in Annex 3 to these Rules."

4.9. In that respect, he recalled that past practice up to MC7 (2009) had been to invite those IGOs which had observer status in the previous Ministerial Conference to attend the following one. The list of IGOs attending MC7 could be found in WT/MIN(09)/INF/6/Rev.1. Delegations would also recall that during the preparatory period for MC8 despite intensive consultations consensus on repeating that past practice could not be achieved due to a lack of agreement on granting observer status to an IGO that had not been an observer at previous Conferences or in the WTO.

4.10. The same situation had arisen for MC9 and MC10 and therefore no IGOs could be invited as observers to the last three Ministerial Conferences. He was informed that all his predecessors had conducted consultations on that matter – not only in Ministerial years – in an effort to break that impasse but to no avail.

4.11. He was well aware of the difficulties regarding the issue. He however stressed how important the participation of IGOs was in WTO's work including at Ministerial Conferences. Members were all aware of the issues at stake and he urged them to work with a positive spirit and constructive approach to allow IGOs to participate at MC11. He was entirely in their hands and his door also remained open to all delegations that wished to discuss that matter with him and in particular if there were any new developments.

4.3 ATTENDANCE OF NON-GOVERNMENTAL ORGANIZATIONS

4.12. The Chairman noted that for all previous Ministerial Conferences attendance of Non-Governmental Organizations had been governed by a procedure that had been agreed by the General Council in July 1996.

4.13. This procedure was as followed: "A limited number of accredited NGO representatives are allowed to attend only the Plenary Sessions of the Conference, without the right to speak; applications from NGOs to be registered are accepted on the basis of Article V, paragraph 2 of the WTO Agreement, i.e. NGOs "concerned with matters related to those of the WTO"; and a deadline is established for the registration of NGOs that wished to attend the Conference."

4.14. As he had indicated on 2 May, he proposed that Members follow that past practice based on the procedure he had just read out with a deadline for registration fixed at 15 November 2017. Once the registration procedure was finalized, the Secretariat would circulate the list of registered NGOs to all Members. He trusted that it was acceptable to delegations.

4.15. The General Council so agreed.

4.16. The Chairman said that one delegation had raised the issue of the participation of members of Parliament at MC11 and had stressed the importance of ensuring that Parliamentarians had a clear status in terms of their participation in Ministerial Conferences. In that respect, he also recalled that pragmatic solutions had been found to that issue for past Ministerial Conferences including MC9 and MC10. He, together with the Secretariat, remained committed to working towards addressing that issue.

4.4 LAUNCH OF THE LOGO OF THE ELEVENTH SESSION OF THE MINISTERIAL CONFERENCE – STATEMENT BY THE DEPUTY DIRECTOR-GENERAL

4.17. The Chairman invited the Deputy Director-General David Shark to officially launch the logo of the Eleventh Session of the Ministerial Conference to be held in Buenos Aires in December.

4.18. Deputy Director-General Shark said that the WTO MC11 Task Force was doing an extraordinary work with the delegation of Argentina because that was a joint project. The WTO MC11 Task Force was working well with its Argentine counterparts. The Argentine Authorities had excellent facilities and they had shown a strong commitment to provide all that was needed for a productive and effective working environment for the Ministerial Conference. They would be organizing with the Argentine Authorities the first of their usual Members' Information Session in July in conjunction with the July GC meeting. The dates would be announced later. He then introduced the logo for MC11 which they had developed in collaboration with Argentina.

4.5 TRUST FUND IN SUPPORT OF LDC PARTICIPATION IN MC11

4.19. The Chairman said that as MC11 drew closer he reminded Members of the urgent need of their support for the LDC Trust Fund which would be used to support LDC participation at the Conference. It was estimated that the overall cost of the normal level of support for LDC participation in MC11 would approximate CHF 840,000. So far, fairly firm commitments had been received from five Members and their generosity was deeply appreciated. They were however still quite far away from the total level of funding that was needed.

4.20. The issue was time-sensitive since the longer it would take to receive their contributions the more expensive the endeavour would get since air ticket prices were increasing as they got closer to the date of the Conference. The assistance provided to LDCs through the Trust Fund was of great importance to LDCs so he strongly encouraged Members to ask their authorities to consider making a contribution and to do so as soon as possible.

4.21. Mr Peter Brňo (Slovak Republic), Chairman of the CBFA, supported the Chairman's call to all Members to positively consider and make contributions to the LDCs' trust fund. Estimation of the total amount required would approximate CHF 730,000 yet the current actual balance of the trust fund was only CHF 89,000. The contributions made so far were lower than half of the necessary funds. He therefore appealed to Members to make contributions to the trust fund to facilitate the participation of delegates from LDCs. It would be appreciated by all Members if all of them would be adequately represented at that important Conference.

4.22. The representative of Argentina referred to the date of the Conference. After the meeting that had been held in Buenos Aires between the logistics team, their task force for security and transport and the secretariat, he had been asked to request Members to start the Ministerial

Conference one day ahead. The proposal before had been to start on 11 December (Monday) until 14 December (Thursday). Their request was to start on 10 December (Sunday) and end on 13 December (Wednesday) because on a city of 15 million inhabitants moving 170 delegations for the opening ceremony would be much easier to do on a Sunday which was a non-working day than on a Monday which was a working day and also a after a long weekend as 8 December was also a non-working day in Buenos Aires. Argentina understood that that change could lead to complications to Members who had already made reservations for hotels and flights but given the time that remained he also understood that those problems could be resolved. He thought that the change would contribute to a successful Ministerial that all Members were hoping for so Argentina requested the indulgence and the understanding of Members on that matter.

4.23. The Chairman said that Members had heard the request of Argentina to advance the dates of MC11 by one day for logistical reasons. He believed it was on everyone's interest that the conference would run smoothly. He therefore asked delegations to consult to their respective capitals about the slight revision of the dates that was changed to 10 December to 13 December, and if he would not hear any comments from delegations by 24 May, he would confirm the new dates through a communication to all the delegations. He trusted that it was acceptable.⁵

4.24. The representative of Benin, on behalf of the LDCs, welcomed the opportunity to discuss those important issues and for the Chairman's commitment to them. The WTO Ministerial Conference played an important role in the multilateral trading system. The WTO's practice of assisting LDCs to participate in the Ministerial Conference through generous contributions to the Trust Fund was essential to ensure the participation of all LDCs. The LDCs had been grateful to Members for their contribution in facilitating the participation of their Ministers and officials in the previous MCs. They thanked those Members whose contributions had facilitated their participation at MC10 in particular Australia, Canada, the European Union, Finland, England, Norway, Sweden, Switzerland and the United Kingdom. They thanked China for the Round Table in Nairobi which had also facilitated the participation of LDCs in MC10. They deeply appreciated the commitment that a number of Members had already made for MC11 but they noted with concern the Chairman's statement that they were still quite far away from the amount of funding that was needed to accommodate all the eligible LDCs to participate at MC11. The LDCs therefore called upon Members including in particular those who could not have been in the position to contribute in the past to positively consider contributing to the Trust Fund.

4.25. The representative of the Kingdom of Saudi Arabia, on behalf of the Arab Group, said that the participation of all qualified IGOs at MC11 was very crucial and every effort should be made to facilitate it. All IGOs should be treated on an equal manner. The process of considering their participation in MC11 should remain technical, transparent and objective and the screening process should be undertaken on the basis of Annex III of the Rules of Procedure of the Ministerial Conference. The Arab Group remained committed to supporting the consensus to welcome each qualified IGO as an observer at MC11. All requests should therefore receive equal treatment by the house. In providing ways and means for the prosperity of their people, the WTO needed to convince all actors in the world that they were moving to that direction. One main tool to do that was through reaching out, building consensus and engaging other organizations. The participation of observers was crucial to achieve that consensus that Members were looking for.

4.26. The General Council took note of the statements.

⁵ The communication confirming the date of 10-13 December for the Eleventh Session of the Ministerial Conference 10-13 December was then circulated in WT/GC/INF/21.

5 COMMUNICATIONS ON MIKTA WORKSHOP AND INFORMAL DIALOGUE ON INVESTMENT FACILITATION – COMMUNICATION FROM MEXICO, INDONESIA, KOREA, TURKEY AND AUSTRALIA (JOB/GC/121) – JOINT COMMUNICATION FROM THE FRIENDS OF INVESTMENT FACILITATION FOR DEVELOPMENT (JOB/GC/122 AND JOB/GC/122/ADD.1) – COMMUNICATIONS FROM THE RUSSIAN FEDERATION (JOB/GC/120), CHINA (JOB/GC/123), ARGENTINA AND BRAZIL (JOB/GC/124)

5.1. The Chairman said that as had been indicated at the beginning of the reconvened meeting, the title of the agenda item was amended as "Communications on MIKTA Workshop and Informal Dialogue on Investment Facilitation". He drew Members' attention to the Communication from Mexico, Indonesia, Korea, Turkey and Australia (MIKTA) in JOB/GC/121; the Joint Communication from the Friends of Investment Facilitation for Development in JOB/GC/122 and Addendum 1; and the Communications from the Russian Federation in JOB/GC/120; China in JOB/GC/123; and Argentina and Brazil in JOB/GC/124. He then gave the floor to the proponents to introduce their submissions if they so wished.

5.2. The representative of Australia, on behalf of MIKTA, welcomed the high level of interest from a broad range of WTO Members in having the item on the General Council agenda.

5.3. At the last General Council meeting in February, MIKTA had announced plans to host a MIKTA Workshop on Trade and Investment on 20 March. In the spirit of transparency and inclusiveness, they had undertaken to report back to the next General Council meeting on the key messages they had taken away from the workshop. Those were summarized in the MIKTA Investment Workshop Reflections Paper in JOB/GC/121.

5.4. The workshop had facilitated a full and interesting day of discussions on trade and investment. MIKTA had noted consistent messaging from speakers and workshop participants about the dynamic links between trade, investment and development and the important role the WTO had to play in discussions on investment given its broad Membership and as the only global international organization dealing with the rules of trade.

5.5. They had heard that the WTO Agreements covered investment in a piecemeal way. For example, the GATS covered foreign direct investment in services which accounted for two-thirds of all inward foreign direct investment. The TRIMS, ASCM, TRIPS and GPA all dealt with investment measures as did accession negotiations. Investment was very much a part of WTO work.

5.6. There had been a lot of discussion about how recent trends in trade and investment had been changing the way people thought about investment noting in particular that developing countries accounted for an increasing share of inward and outward foreign direct investment and that foreign direct investment was a vital force of funding to close the 2.5 trillion dollar development investment gap to achieve the Sustainable Development Goals.

5.7. MIKTA had noted that discussions in the WTO could contribute to strengthening trade and investment policy coherence, facilitating trade and investment for development and exploring where multilateral rules could be usefully strengthened or expanded to support those objectives.

5.8. There had been recognition that it would not be easy given long-standing sensitivities around investment in the WTO. However, there was a high level of interest and willingness among some Members to engage in open and inclusive discussions on investment and consideration that a focus on investment facilitation could be a good starting point for discussions that would avoid known sensitivities and complement the Trade Facilitation Agreement and current discussions on trade facilitation for services.

5.9. Finally, MIKTA was encouraged by the high level of participation at the March workshop and would like to thank all Members that had engaged actively in those discussions.

5.10. The representative of China, on behalf of FIFD, joined Australia in thanking the Chairman for his tireless effort, wisdom and patience during his consultations with Members.

5.11. Given the increasing interlinkage between trade and investment, both had mutually reinforcing roles in fostering global development, inclusiveness and the growing interest in the

area in the WTO. Argentina; Brazil; Chile; China; Colombia; Hong Kong, China; Kazakhstan; Mexico; Nigeria and Pakistan had decided to work together as Friends of Investment Facilitation for Development (FIFD) to further advance the discussions on how the WTO could contribute to facilitating cross-border investment with the ultimate aim of promoting more inclusive trade and growth with Members especially developing and least-developed Members.

5.12. To facilitate discussion in the WTO, FIFD was launching an open-ended informal dialogue on investment facilitation for development in which all WTO Members were invited and encouraged to participate. Such dialogue would be coordinated by Ambassador Cima (Argentina). The first meeting would be convened in the second half of May – details of which would be shared with WTO Members shortly. The informal dialogue would seek to explore without limiting or prejudging possible outcomes, the role that WTO could play as a forum to discuss matters that Members could take to facilitate investment. The dialogue would examine possible elements in areas such as improving regulatory transparency and the predictability, streamlining and addressing the needs of developing Members. It would not tackle market access, investment protection and investor-State dispute settlement as part of the dialogue. Key elements of WTO Members' current and future proposals could be discussed.

5.13. The representative of China said that investment facilitation was increasingly relevant to WTO Members especially for developing Members. It provided a timely and meaningful topic for shared discussion in the WTO while avoiding more controversial subjects. China regarded development as the centrepiece of the informal dialogue and looked forward to discussing areas such as transparency and streamlining administrative matters. China's proposal included a non-exclusive list of possible elements of investment facilitation which could serve as a reference in future discussions. China looked forward to exploring the matter and its detailed elements in depth in the dialogue.

5.14. It was quite obvious in the past few days that Members had endured a difficult period. The French thinker Voltaire who used to live in a small town not far from Geneva had once said, "The longer we dwell on our misfortunes, the greater is their power to harm us". Therefore he was calling for reconciliation and understanding and urged Members to get out of that difficult situation and look forward together. He had learned a lot from what had happened.

5.15. In Beijing he thought that everyone would support a dialogue on Investment Facilitation but in Geneva he had realized that some Members had strong reservations. Confucius had said that one should not impose on others what one did not desire. That was a basic principle of being a person. It should be relatively easy to do but there was another philosopher of China who had said "Don't impose on others what you want to do". That was more difficult. Members should take the differences among themselves seriously and see how to seek a common ground with those differences in mind.

5.16. The WTO was a big family. Everyone was unique and irreplaceable. He therefore said to the opponents that the proponents needed them and that they were more than happy to work with them. Perhaps the truth was in their hands. Time would tell. He asked them to tell the proponents if they thought they were naïve since sometimes they were. He promised that they would listen to their concerns and opinions carefully and in a humble manner.

5.17. The representative of the Russian Federation thanked Members, the Secretariat, the Chairman and the Director-General for their engagement and for finding a workable compromise on the investment facilitation agenda item. In recent months, Russia had seen Members taking a keen interest in discussing investment facilitation that had been reviewed at the MIKTA Seminar and in informal dialogue. There had been a clear recognition of those activities' value addition and intention to continue the discussion.

5.18. Investment Facilitation was a powerful enabler for trade. Its relevance was affirmed by Members' interventions and written submissions on investment facilitation discussions within the WTO. Alongside other proponents, Russia had made its own contribution in a communication on 31 March that suggested launching a group of interested Members to discuss investment facilitation and that expressed their views on possible substantive elements.

5.19. Participating countries would benefit from the discussion by allowing them to learn new ideas and best practices. The WTO currently addressed only certain aspects of investment facilitation – largely in services. The discussion could *inter alia* look at those imbalances and possibilities on how other trade sectors could benefit from investment facilitation provisions. Russia therefore supported the start of informal discussions by Members on investment facilitation.

5.20. The representative of Brazil, also on behalf of Argentina, thanked the Chairman and the Director-General for their engagement and efforts to facilitate the approval of the agenda. The developments of the past few days had not changed Argentina and Brazil's approach with regard to that agenda item. Their joint statement repeated the same messages they had prepared for 10 May. They continued to believe that the approach they proposed was sensible and balanced.

5.21. The proponents had included that item in the agenda to share with Members two points: First, the document circulated by Argentina and Brazil was meant to provide inputs for informal discussions. Members could consider what elements of investment facilitation could be of interest in a WTO context. Second, they could only consider possible ways forward if they would be able to achieve common ground in such informal discussions.

5.22. Argentina and Brazil did not intend to launch a substantive discussion on investment facilitation particularly on the content of their joint document at the session of the General Council. After listening carefully to concerns expressed by some Members in the HODs meeting on 8 May, Argentina and Brazil had however been careful in proposing to frame a discussion on investment facilitation in terms that were suitable to developing countries excluding sensitive issues from their possible considerations such as investment protection or investor-State dispute settlement.

5.23. Brazil and Argentina had therefore welcomed the joint communication submitted by China on behalf of the Friends of Investment Facilitation for Development. As Members of that group, they both saw the proposal to start an open-ended informal dialogue on investment facilitation for development as a good opportunity to promote a frank and transparent exchange of views without prejudging any outcome.

5.24. The representative of Nigeria thanked the Chairman, the Director-General, the sub-chairs and all Members that had walked them back to continue with the meeting that had been postponed on 10 May. Nigeria supported the initiative led by China on investment facilitation for development. Investment attraction and facilitation were key priorities for Nigeria to diversify its goods, among others. The informal dialogue would be open, inclusive, transparent and without prejudice to an outcome.

5.25. Nigeria was willing to work completely with all interested Members through in-depth dialogues and to explore the possibility of future rules for the WTO on that important subject. His delegation however took note of and supported the C-4 as regards their sensitivities. Members should redouble their efforts to ensure the WTO's responsiveness to the needs of the entire Membership and to an evolving global economy.

5.26. The representative of Cameroon recalled that the Doha Programme had committed international opinion to fulfilling the expectations Members had set, while the issue of investment had caused waves globally since the 1990s and should therefore be addressed with great caution. Members should ensure that the WTO could be strong enough to overcome those waves. The legitimacy of the interests of the proponents and the importance of investment for development and the economy should not mean that Members should lose sight of the existence of the rules on subjects without a mandate that various Members believed to be sensitive. As progress still did not seem to be evident, Cameroon therefore supported the statement made by Uganda before the suspension of the meeting and of Ecuador which had raised the importance of following the rules that Members had in place to deal with specific subjects in the WTO.

5.27. The representative of Mexico thanked the Director-General, the Chairman and the Secretariat for their efforts and for enabling them to have the space to share their interests and concerns on issues that they believed to be relevant. Mexico also thanked Australia for presenting their reflections from the MIKTA workshop on investment held in March. The discussions had been extremely productive – motivating Members to think further on all the linkages between trade and investment; and had highlighted the close relationship between FDI and trade and a certain

degree of understanding of investment as it appeared in various WTO agreements such as GATS and TRIMS. Reflections on the workshop had been circulated in JOB/GC/121. The workshop had allowed a greater understanding of trade and investment which could serve as a guideline for further discussions on that linkage. Mexico also welcomed the open and transparent dialogue headed by China on behalf of the "Friends of Investment Facilitation for Development" which Mexico was also a part of. His delegation hoped that the dialogue would bring additional elements to better understand the importance of investment facilitation as foreign investment could be linked with development particularly in terms of achieving the Sustainable Development Goals.

5.28. The representative of Pakistan thanked the Director-General and all Members for helping them to get back to business. Pakistan endorsed the views expressed by China, Brazil, the Russian Federation and other Friends of Investment Facilitation for Development. The other day, Paraguay had said that "Trade is investment and investment is trade". Pakistan viewed trade and investment as two sides of the same coin — one could not thrive without the other.

5.29. In the present economic backdrop, investment was extremely important for LDCs and developing country Members more so since they were seeing encouraging increase in South-South FDI. According to the OECD, the share of South-South FDI in total world FDI had grown from some 3% at the beginning of the century to around 14% in 2009. South-South FDI had stayed strong even as global FDI had been volatile. Despite a fall in FDI from OECD countries by 57% below 2007 levels in 2012, FDI from developing countries had risen by 19 percent. Members were aware of the 2.5 trillion dollars gap if the development needs for achieving the globally agreed SDGs had to be financed. That gap could only be partially plugged by private investment.

5.30. Attracting FDI and connecting it to local businesses was just one way for developing countries to access the benefits of regional and global value chains. FDI had become a key source of financing for developing countries and a means to transfer standards, technology, knowledge, and successful business models. Those trade and financial flows also supported increased regional integration, increased bilateral and regional trade with the potential to generate more jobs and to bring down the cost of goods and services making them more affordable for the poor. Pakistan had always been a believer of investment as an essential ingredient and an enabler of development.

5.31. The Friends of Investment Facilitation for Development was organizing a workshop coordinated by Pakistan on 10 July on Investment Facilitation and development. The detailed programme would be shared to Members soon. The FIFD encouraged all Members to join them in making that workshop a mutually beneficial exercise. The FIFD's objective was to advance and deepen the discussions on how the WTO could contribute to facilitating cross-border investment with the ultimate aim of promoting more inclusive trade and growth for its Members especially the developing and least-developed ones.

5.32. The representative of Ecuador thanked the Chairman and the Director-General for their efforts that had made it possible to resume their work for the good of the organization.

5.33. Ecuador's position had been clearly expressed during the HODs meeting on 8 May. Under the WTO rules, an existing mandate adopted by the Membership could not remain unfulfilled nor could it be amended or annulled. Consequently, the reverse would happen in the absence of an express agreement to that effect. In that regard, the Doha Work Programme which placed development at the centre of Members' concerns continued to be in full effect as it was a valid commitment agreed upon by the Ministerial Conference. The completion of the Doha Round was therefore essential for things to be done in the right order and with legal certainty as the outstanding issues should be addressed and resolved.

5.34. Trade and investment facilitation had been the subject of proposals by several delegations. At present, there was no mandate on investment. Ecuador confirmed that it was not opposed to discussing new issues as long as those would not lead to specific negotiations requiring the consensus referred to in paragraph 34 of the Nairobi Declaration and that the commitments assumed under the Doha Work Programme should be respected.

5.35. Attracting investment was essential to the development and growth of countries since public or private and national or foreign investment, or a mixture thereof, contribute to advancing the economies of the developing countries that needed it. In the case of Ecuador, in accordance with

the Constitution of its Republic, foreign investors were welcomed and had the same rights as domestic investors. Such investment should however be regulated to prevent the occurrence of abuses mainly in the areas of taxation and environment. In the context of an informal dialogue on investment facilitation bearing a close relationship to trade, precise guidelines should be established to place development at the centre of Members' work on behalf of their people.

5.36. The representative of South Africa said that South Africa was taken aback and surprised to see that a number of Members had placed the item on investment facilitation on the agenda since they would have already heard repeated opposition to bringing that matter to the WTO from many other Members – most recently at the 8 May HODs meeting. In a context and at a time where there were so many challenges in moving work forward, bringing another controversial issue to the WTO could only make their path to MC11 so much more difficult.

5.37. South Africa had been consistent on that matter and would not enter into a discussion on investment facilitation, except to underline that there was neither a mandate nor an agreement to either discuss or negotiate investment facilitation in the WTO.

5.38. With respect to mandates, South Africa recalled the General Council Decision of 2004 that had removed the issues of trade and investment from the only agreed negotiating mandate in the WTO. South Africa also recalled the relevant paragraphs of the Nairobi Ministerial Declaration on other non-Doha issues. Paragraph 34 had stated: "While we concur that officials should prioritize work where results have not yet been achieved, some wish to identify and discuss other issues for negotiation; others do not. Any decision to launch negotiations multilaterally on such issues would need to be agreed by all Members." The phrase "others do not" was a clear recognition that their Ministers had not agreed to identify or discuss other issues for negotiations.

5.39. South Africa also recalled the last sentence of paragraph 30: "We acknowledge the strong legal structure of this Organization." That sentence reminded Members that it would not be possible to enter into dialogue and discussions in the WTO on any new issue lightly – including on investment facilitation. The communications created confusion and to varying degrees raised many questions of serious concern such as on the integrity of existing mandates in the WTO and their possible implications for national policy positions.

5.40. For all those reasons, South Africa was not able to agree to any proposal to initiate a discussion – formal or informal – on investment facilitation in any regular body of the WTO but was prepared to exchange views with others on investment facilitation in an informal mode such as seminars or workshops and would do so for as long as those would be conducted in a non-negotiating context outside the formal WTO structures.

5.41. The representative of the European Union expressed his delegation's serious concern on the events of recent days. While the WTO's negotiation function had not operated well for quite some time, it was now worrying that even its deliberative function had been challenged. The organization had been founded on the principle of fostering cooperation among its Members on trade issues. While there could not always be agreement among all Members on particular topics, the readiness and openness to consider and discuss issues raised by Members including proponents had been a cornerstone of their common work. It was all the more valid as they were not considering that day an issue for multilateral negotiation but only for exploration and deliberation. The European Union therefore hoped the events of recent days would not develop into a systemic menace to the future of the organization. At a time of increasing challenges to international trade and to the multilateral trading system, the last thing the organization needed was paralysis of its decision making structures. Moreover, although Members were all in agreement that little time was left before MC11, they had been wasting quite a lot of it on matters of procedure or management. It had taken them several months to appoint a new CoA-SS Chair and the work of the highest body of the WTO bar the Ministerial Conference had been blocked for more than a week. Time and energy before Buenos Aires should be used on the substance of the work.

5.42. The European Union welcomed the initiatives and congratulated MIKTA countries for organizing a very successful seminar on trade and investment in March and for bringing that topic to the Council's agenda. The seminar had been extremely useful and had proven a wide interest among Members in discussing the relationship between trade and investment and in particular

policy coherence. That interest had been further confirmed by many Members in their written submissions which *inter alia* requested an open and inclusive dialogue on investment issues in the WTO. The EU shared many arguments and ideas to move forward in those submissions.

5.43. In current world of global inter-relationships and interdependencies, trade and investment were two sides of the same coin – widely recognized except in the WTO. At national policy level efforts to enhance trade had always been accompanied by parallel efforts facilitating investment. A call by Members most of which were developing countries for a dialogue in investment issues in the WTO was a timely initiative. In view of its role and mission, the WTO should take a lead in analysing the relationship between trade and investment.

5.44. Although there could be other areas worth exploring in the context of policy coherence, the EU fully agreed that the discussions could focus on investment facilitation first. That was the area on investment public policy in which there was widest convergence since most countries around the world already implemented many actions that could be understood as investment facilitation. The EU supported the initiative and declared its willingness and readiness to fully participate and contribute. Such a dialogue would be without prejudice to its outcome.

5.45. The representative of Qatar thanked the Chairman for his efforts in resolving the deadlock and the Members who had requested the agenda item as such dialogues would greatly enhance the effectiveness of the organization. Qatar considered itself as a proponent of such a discussion and was looking to work with the Friends for Investment Facilitation. In that regard, Qatar endorsed their submission and the statement made by China. There was a divergence of opinions on that issue but there was also value in pursuing an informal dialogue and in exploring the developmental aspects of investment as had been highlighted by the proponents. MIKTA had also shown interest to continue discussions on that issue. Qatar had participated in MIKTA's previous workshop on trade and investment and would be interested to participate in future events, and looked forward to continuing to work with the Friends for Investment Facilitation in the future.

5.46. The representative of the Plurinational State of Bolivia was grateful for the Chairman's efforts to reach agreement on the issue. Investments were important for all countries and that topic had been widely discussed in the United Nations system for years where they had seen all the problems that it entailed. Bolivia was however one of the Members that considered the matter not falling within the competence of the WTO.

5.47. As India had stated, from the legal standpoint, the Marrakesh Agreement was the one that defined the scope of the WTO which was not open to any or all themes – only to those that were relevant to trade. In the case of investment, the trade-related aspects of investment had already been dealt with by GATS and TRIMS. There was also a Decision of the General Council acting on behalf of the Ministerial Conference in July 2004 which established that investment should not be included in the work of the organization. The July 2004 decision to exclude that issue from the negotiations within the WTO had been adopted because international investment agreements had been some of the most harmful agreements for developing countries over the past twenty years.

5.48. That type of agreement had led many developing countries including Bolivia into a series of international processes of highly doubtful transparency and had been extremely burdensome for the regulatory capacity of States by seriously limiting policy space and the capacity to regulate on subjects such as the environment, labour rights, public health and universal access, among others. Knowing how the organization operated on the basis of trade-offs and sometimes murky negotiations, it was unrealistic not to include protection of investment or dispute settlement mechanisms. That topic lacked a mandate and Bolivia did not therefore approve of any type of process, formal or informal, within the WTO. That type of initiative would only complicate the achievement of results at the Ministerial Conference in Buenos Aires.

5.49. The representative of Turkey thanked the Chairman for his efforts that enabled them to resume the General Council Meeting as quickly as possible. As Turkey had underlined in its statement on 10 May, the MIKTA workshop on Trade and Investment had provided Members with good input and ideas. Turkey once again thanked all of those who had participated in the workshop and in the stimulating discussion that had ensued. The conclusion of the workshop had been important. All of them had wanted to make sure that the information sharing had taken place

as transparent and as effective as possible. And they had made it all happen thanks to the efforts of the Australian Permanent Representative, her team and all MIKTA members.

5.50. During what had transpired on 10 May and since then, aside from their initial goal of sharing information on an event that had attracted much attention from many delegations and stakeholders, Turkey had kept in mind that the WTO had always been a platform to discuss what Members believed to be relevant trade issues that impacted them. That was what the WTO offered – a medium to discuss issues that could have a prospect for negotiations that would benefit Members' economies through trade.

5.51. The difficulties laid in the divergences of opinion. While his delegation would continue to respect those differences, Turkey would also continue to seek common ground for cooperation and convergence on the issues. Throughout the process, Turkey had however become concerned about the systemic effects of the idea of categorically naming an issue to be irrelevant to the WTO. Turkey believed that investment was immensely relevant to trade. It was a tough issue to tackle but nevertheless important and necessary. If and when there would be permissive conditions to move that relationship forward, Turkey would consider it with an open mind and would come to the table with what it thought to be priorities and genuine ideas based on necessity. In the meantime, Turkey would follow the informal discussions on the issue.

5.52. The representative of Uganda said that as indicated on 10 May, Uganda regretted that the item had been put on the agenda of the Council meeting, even with the suggested amendments. As had been indicated before, including in the HODs meeting, Uganda believed that the issue was misplaced and that there was no mandate to discuss it in the WTO.

5.53. Uganda recalled that Articles 3.1 and 3.2 of the Marrakesh Agreement Establishing the WTO had set out the functions of the organization to include facilitating the implementation of existing multilateral trade agreements and providing a forum for negotiation among Members concerning their multilateral trade relations. Uganda therefore believed that investment facilitation did not fall within the scope of the WTO. Further, Uganda could not and should not promote a process that did not seek to play by the rules simply for the purposes of expediency.

5.54. Paragraph 1(g) of the July Framework of 2004 said inter alia that those issues mentioned in the Doha Ministerial Declaration in paragraphs 20 to 22, 23 to 25 and 26 respectively would not form part of the work programme set out in the declaration and therefore no work towards negotiations on any of those issues would take place within the WTO during the Doha Round. Investment was one of those issues that had been referred to. Uganda would not agree to any attempt intended to create new facts on the ground without going through due process.

5.55. Members had argued that they intended to simply use that opportunity as a platform for sharing experiences and to allow a dialogue to take place on investment. Uganda's view was that Members were free to meet whenever and to discuss whatever issue that was of interest to them. In fact, Uganda had been part of some of such discussions. However, to bring an issue to the same Council that had prohibited it was an exceptional act of bad faith and high handedness.

5.56. All Members, except for a very small minority, had been arguing for the preservation of mandates including on agriculture with respect to substantial reduction of trade-distorting domestic support. The LDC issues were all premised on mandates – DFQF, Rules of Origin, Services Waiver and Cotton, among others. Would anybody pay attention to the LDCs if they raised an issue without a mandate? Even in instances where there was a clear mandate such as in paragraph 44 of the Doha Ministerial Declaration, Members continued to stonewall the LDCs. Why then was the current issue so urgent and so important that due process could not be followed?

5.57. One of the reasons why the WTO was still of interest to developing and LDC Members was that it offered all of them an equal and codified platform of engagement. With that single act, Members wanted to repeal one by one all the protective gear available to small and less powerful Members. There was no such thing as mere discussion if it sought to torpedo the due process that all of them had relied on in that august house. How was it possible that the Members who had acknowledged the strong legal structure of the organization in paragraph 30 of the Nairobi Ministerial Declaration were the same ones invited to tear it apart?

5.58. Uganda called upon Members to exercise maximum restraint so as not to let the organization transform itself into a club where only the strong would survive. As his delegation had warned before, Members would slowly reach that point where the great question of the day would not be resolved by speeches and resolutions but by might against right. While it ought to be clarified that Uganda was not opposed to discussions on any new issues, it was its view that any issue without mandate should not waste Members' time.

5.59. The representative of India said that India had already expressed strong reservations on the inclusion of agenda item 5 entitled "Trade and Investment Facilitation" in the proposed agenda of the GC meeting on 10 May and reiterated her delegation's strong opposition to discussions in any formal structures of the WTO on investment facilitation, as that subject was outside the scope and ambit of the Marrakesh Agreement Establishing the WTO. India thanked the Chairman for holding consultations in that regard in which her delegation had participated constructively.

5.60. In India's view, the Chair's statement adequately reflected the position on the issue. India's opposition to the discussion on investment facilitation in the WTO was based on serious, substantive, systemic concerns which had been expressed in its earlier statement.

5.61. Discussion on investment facilitation did not fall within the ambit and scope of the WTO and hence the General Council or any of the formal structures of the WTO, since investment facilitation did not concern multilateral trade relations. India understood that discussions in the organization did not occur without a context and that context was setting enforceable multilateral disciplines or rules. Any discussions or negotiations in the formal structures, therefore, had significant repercussions and implications.

5.62. Investment itself covered a wide range of assets or enterprises that were the subject of a separate universe of bilateral obligations. Investment issues including investment facilitation were much more deep-rooted within the domestic regulatory mechanisms and complex in nature as compared to tariff issues which often could be controlled by taking border measures. The regulation of investment therefore involved measures which were specific to national circumstances involving multiple stakeholders and complex processes.

5.63. Specific criteria for investment policy-making would have to be consistent with national development objectives and a State's constitutional authority and obligations. A multilateral trade organization like the WTO did not have the authority or competence to discuss investment-related issues, including investment facilitation.

5.64. The importance of investment facilitation and attracting foreign investment for development was substantially different from the need for discussing or negotiating disciplines on investment facilitation at the WTO. Investment facilitation was not directly related to multilateral trade relations and the WTO hence was not the appropriate forum to have that discussion. Merely because trade and investment had a complementary role in a nation's development that *ipso facto* did not justify the relevance of the WTO to discuss or make rules in that respect.

5.65. India noted that some Members sought to share information on informal dialogues on investment facilitation. As India had said before, Members who had interest in that subject could hold informal dialogues outside the formal structures of the WTO.

5.66. India noted that the agenda item was only to allow for an exchange of views on the initiatives that some Members had had or planned to have with respect to informal dialogues on investment facilitation and reiterated its strong opposition to discussion and negotiation of investment facilitation within the formal structures of the WTO and the General Council.

5.67. The representative of Chinese Taipei joined others in thanking other Members for bringing the issue of investment to their attention. Chinese Taipei recognized the role of investment as a major engine for economic growth in the global economy. His delegation had heard quite a lot pros and cons, but if the WTO was to remain relevant to world trade in the future then investment had to be one of the cornerstones of the WTO structure. In that regard, Chinese Taipei thanked MIKTA for its workshop which it found very useful.

5.68. In general, Chinese Taipei was pleased that the informal dialogue between Members on investment was about to start. His delegation was willing to share its good practices and policies with other Members to promote the discussions on the issue. Given the importance of investment in the global economy, Members should however consider that issue from a broader perspective in the future. The WTO was a system of rules dedicated to open fair and undistorted competition and Chinese Taipei would continue to engage with the Chairman and all Members on all aspects of that most important topic and would endeavour to contribute as constructively as possible. As the old saying went, "We try to pursue or search unity but we really appreciate the difference".

5.69. The representative of Paraguay welcomed the documents submitted under that item. Those contributions were interesting proposals that clarified the existing ties between trade and investment and put forward initiatives that could be developed by Members in the future under the WTO. Negotiations on a Cooperation and Investment Facilitation Protocol had been concluded in the framework of MERCOSUR. Unlike the MERCOSUR Agreement, the documents submitted by WTO Members embraced more cross-cutting issues such as measures on transparency, the acceptance and processing of applications, the single electronic window, corporate social responsibility, national and multilateral institutional arrangements, special and differential treatment, and investment-related cooperation and technical assistance among WTO Members. They did not contain substantive investment protection measures or dispute settlement provisions.

5.70. The relationship between trade and investment had been on the agenda of a number of international economic fora such as the G20, UNCTAD, the OECD and the World Economic Forum. The WTO currently lagged far behind in that area, but Paraguay nevertheless hoped that the situation would be remedied within the week to come.

5.71. The representative of Singapore welcomed the papers that had been tabled and the launch of an open-ended informal dialogue on Investment Facilitation. Investment Facilitation was an important issue for developed and developing countries alike and there was a role for the WTO to play to foster such discussions through the trade policy perspective.

5.72. Preliminarily, Singapore would be interested to further explore issues such as enhanced transparency, streamlining documentation and procedures, and keeping costs of investment approval processes low. Singapore would also encourage Members to look at the existing body of work already done in other fora such as G20, APEC and UNCTAD which could help to inform some areas of focus for the informal dialogue. Singapore stood ready to engage, share its experience and contribute constructively on that issue.

5.73. Singapore thanked the Chairman and the Director-General for conducting consultations to allow the adoption of the agenda. When the Ministerial Conference was not in session, the General Council was the highest WTO body acting on behalf of the Ministerial Conference. Members should not have been confronted with such a controversial adoption of its agenda. To avoid its repetition, Singapore urged Members to take a greater collective responsibility to upkeep and strengthen the WTO, in a way which was consultative and collegial and which took into account the views of all.

5.74. The representative of the Republic of Korea thanked the Chairman and the Director-General for their efforts to find a solution to the unfortunate situation that Members had had in adopting the agenda. Korea also thanked those Members involved in the consultations for their flexibility.

5.75. Korea had a couple of brief observations on what had happened and how Members' future work should be guided. First, it had been a powerful reminder that some Members had serious concerns in discussing investment at the WTO. Their concerns would have to be duly taken into account in future consideration of investment-related issues. At the same time, it had been really unfortunate that there had been a motion to deny the Membership an opportunity to discuss a certain item by removing it from the agenda. It was essential for Members to be able to discuss issues which they believed to have an important bearing on trade such as investment facilitation – an appropriate and responsible way to express their sensitivities. In fact, the agenda item on investment facilitation had been proposed by a little less than 20 Members including the Friends of Investment Facilitation for Development (FIFD) and MIKTA. That alone showed the significant interest among Members on that issue. The WTO should therefore be able to address emerging issues to function in keeping with a rapidly evolving global economy and trade environment. Otherwise, it would lose its relevance and credibility.

5.76. Second, that unfortunate situation had led Members to think once again about the WTO's decision-making by consensus. The principle of consensus was necessary to protect the rights of all Members. Decisions should continue to be made by consensus in the organization except in situations provided for in the DSU. Consensus however should not be understood as giving an unrestrained veto power to each and every Member on each and every issue. To ensure that consensus decision-making served all Members as had been intended, it was important for all Members to do their best to understand and respect the different views of other Members. In particular, they had to be extremely careful about invoking the consensus rule when dealing with procedural issues. In the history of the WTO, the adoption of an agenda for the General Council had never been blocked. There was an important systemic reason for that and Korea hoped that Members would preserve that precious tradition.

5.77. Korea welcomed the MIKTA workshop reflection note, the proposal for an informal dialogue by the Friends of Investment Facilitation for Development (FIFD) and three communications by the Russian Federation, China and Argentina and Brazil. As had been discussed at the MIKTA Workshop on Trade and Investment, the WTO could play an important role in strengthening trade and investment policy coherence. Such coherence would in turn help Members achieve expansion in trade and investment flow and eventually economic growth and SDGs. To translate such potentials into concrete outcomes, they should be prudent and take into consideration different concerns and perspectives so that they would not repeat the experience of past failure.

5.78. Korea supported an informal dialogue on investment facilitation without venturing into areas for which many Members had registered their need for appropriate policy space. Members should make sure that their dialogues would not detract them from ongoing important negotiations. They should also cooperate with relevant fora and organizations to avoid duplication of work and make real added value to investment facilitation discussion.

5.79. The representative of the United States thanked the Chairman and all others who had contributed to efforts to enable the General Council to proceed with the discussion of the agenda item and the rest of its work. The past week had generated important questions for Members to reflect upon. In light of recent developments, the United States was more than ever interested in the recent suggestions from some Members that institutional reform could be an appropriate subject for reflection within the WTO.

5.80. The United States thanked the proponents for their papers and for the introductions offered that day. The papers were a clear indication of the recent increase in interest on investment which was reminiscent of a similar wave of interest seen on e-commerce in the Council some months ago. His delegation was continuing to study the papers that had been submitted. For the United States, the fundamental question was what specific problem was investment facilitation trying to solve? How could the WTO's rule-making framework provide a solution, if there was a problem? Proponents could further reflect on such basic definitional questions as their discussion, following so much drama, had not revealed a great deal in that respect.

5.81. The United States welcomed information about informal dialogues being organized by some Members on those issues and would follow such discussions carefully. Due in part to the reasons he had just stated, his delegation was dubious about the prospect of arriving at a common position among the Membership on inclusion of that issue in the WTO agenda in the near term. At that stage, it was not even clear that proponents had a shared view on the precise scope of what that topic could cover. Among the topics that had been identified (i.e. requirements and procedures for obtaining licences) experience would tell them that developing multilateral disciplines could be a daunting task. In any case, the United States would continue to follow that discussion with interest to particularly see if it became more tangibly defined.

5.82. The representative of New Zealand associated with the EU's systemic concerns, found Korea's comments on consensus interesting to reflect upon and thanked Members for the work done on their papers, including examining the various work on investment by other international institutions. As Australia, Mexico and others had observed, in the real world, the linkages between trade and investment were many. For example, the location of investment could significantly impact trade patterns. Investment facilitation was a significant topic that kept a range of potential elements including interaction with development. New Zealand therefore looked forward to participating in an ongoing dialogue among Members on investment facilitation.

5.83. The representative of Switzerland thanked the Chairman and the Director-General for their efforts to enable Members to resume discussions on that agenda item. Switzerland had expressed its systemic concerns on 10 May and believed that it was essential to preserve the WTO's deliberative role and to ensure that questions of interest to its Members could be addressed whatever the outcome of the discussions would be.

5.84. Trade and investment were twin pillars of the modern global economy. It was important to establish the best possible relationship between trade and investment and to improve the coherence of the rules governing them. After trade facilitation, it seemed natural that Members should turn their attention to investment facilitation. The WTO had a role to play in that context.

5.85. Members should remember that like trade, foreign direct investment contributed to development and sustainable growth. Aspects such as transparency and rational and efficient administrative procedures were important factors to facilitate investment and could be addressed in future discussions on investment facilitation. Switzerland hoped that the processes put forward would be of interest to as many Members as possible and it intended to participate in them.

5.86. The representative of Norway thanked the Chairman and the Director-General for their efforts in bringing them back to work again. Norway had made its systemic concerns known on 10 May. It was very important for the future relevance of the organization that Members retained the opportunity to discuss issues of interest to them.

5.87. Norway thanked the proponents for their initiative and for sharing that information and their papers with the whole Membership. In Norway's view, that initiative was timely. Trade and investment were strongly interlinked – and had become even more so in the course of the last two to three decades.

5.88. To engage in an informal open-ended exchange of views on investment facilitation could be a good starting point with its elements of regulatory transparency, streamlining of administrative procedures and information sharing.

5.89. As had been stated by Mexico, investment could be a catalyst for development to attain the SDGs and as Pakistan had said, investment was important to address the finance gap. Furthermore, investment facilitation was of particular interest for SMEs, and important for their ability to compete. Norway was looking forward to participate actively in the dialogue.

5.90. The representative of Canada thanked the Chairman, the Director-General, the Secretariat and those involved in the consultations for efforts to bring Members back to work and associated with the systemic concerns raised by the EU, Singapore and Korea on the issue of Members blocking the discussion of an issue that other Members felt was appropriate. Decision-making by consensus was important, but Members should also have the ability to discuss issues particularly those that did not involve substantive decisions.

5.91. Canada thanked the MIKTA countries and all the proponents for their papers and for bringing the issue forward. Investment played a central role in promoting economic growth and sustainable development. Policies that supported open and transparent investment regimes and a predictable and stable environment for investors were important for all countries at all levels of development. Canada therefore supported the move to further explore whether the WTO could contribute to this area. That was a question to be explored and not a foregone conclusion.

5.92. The United States had raised two pertinent questions that an informal dialogue on investment facilitation could help answer and better frame that discussion. Canada also acknowledged the concerns raised by previous speakers including questions regarding the WTO mandate but did not share those views or understandings. As had been pointed out by Australia, aspects on investment were inter-related to several WTO grounds.

5.93. The transparency from being able to bring an issue to the General Council was important as it was better to have an open conversation than none at all or if it took place behind closed doors without the corresponding process to inform the broader Membership. In that regard, Canada looked forward to participating in the informal open-ended dialogue on investment facilitation.

5.94. The representative of Japan believed that trade and investment were inseparable in the current world of global value chains and that facilitating investment contributed to inclusive trade and economic growth. Having discussions on investment at the WTO was therefore relevant.

5.95. Regulatory transparency and streamlining of administrative procedures were important to facilitate and promote cross border investment particularly the investment which went to developing countries. Japan therefore welcomed the proposals and papers on investment facilitation put forward by a wide range of proponents and supported the start of informal dialogue on the issue.

5.96. Even if it did not cover the entire issue of investment, facilitation could be a good starting point for the dialogue. Japan would engage in discussions on the proposals in a positive and constructive manner.

5.97. The representative of Bahrain thanked the Chairman and the Director-General for the consultations and their efforts to bring Members back to the Council. Bahrain thanked the proponents for their communications and acknowledged their initiatives to further the important discussion on trade and investment facilitation at the WTO and looked forward to further discussing that issues in the future.

5.98. The representative of Cuba said that the Doha mandate was still in effect and that the issue of investment had not had a mandate from the WTO since 2004. Cuba was firmly committed to concluding the outstanding DDA issues many of which had been put on the back burner. The reality was that none of the new issues which included investment facilitation had achieved the necessary consensus to secure a fresh mandate in Buenos Aires as they had been comprehensively informed both during the current discussion and at the meetings of 8 and 10 May.

5.99. The negotiations on the outstanding Doha Round issues should be the Members' priority in terms of work until they honoured the commitments that they had made – one of which had precisely been to set the issue of investment aside. Until such time as substantial results would be visible under the DDA, Cuba would not be in favour of including new issues on the WTO agenda, especially when those issues were sensitive for many developing economies as had been made quite clear that day.

5.100. Like other Members, Cuba noted the new format in which that item was being introduced on the agenda it being understood that the issue of investment facilitation would be addressed informally and outside the WTO structures. Cuba thanked the Chairman and the Members involved in the consultations and in particular India for its leadership in making that outcome possible.

5.101. The representative of the Kingdom of Saudi Arabia said that the investment facilitation dialogue was a step in the right direction. Saudi Arabia's foreign economic policy was to help developing and LDC economies grow by allocating a percentage of its GDP for that cause which had amounted to 130 billion over the past ten years. Trade facilitation was essential to generate more growth and more employment and produce more tradeable goods in developing and LDC economies. As the flow of investment was as important as the flow of goods and services, Saudi Arabia had made investment facilitation a priority and would like to ensure that the dialogue would help close the gap between developing and developed countries and build a more sustainable global economy. Saudi Arabia therefore supported the dialogue which it would actively participate in and hoped that that would help make the global economy more sustainable.

5.102. The representative of Israel thanked the Chairman, the Director-General and the Secretariat for their tireless efforts to find a solution to the situation Members had experienced over the past week. All Members agreed on how important it was to allow the substantive conversations to take place and build on the momentum of previous Ministerial results. Even if that was not an easy task, Israel was encouraged by the willingness of most Members to engage in fruitful discussions in the past months.

5.103. Progress would only come if Members were able to have frank discussions, keeping an open-mind and a flexible attitude as they had the important task of crafting a package of deliverables and that time was running short.

5.104. Members had a mandate to fulfill through negotiations but Israel did not consider that it precluded them from discussing any issue that could be of interest to Members. Setting procedural issues aside, and regardless of the format, Israel valued the possibility that Members had, to raise issues that they could deem important and relevant to trade without prejudice to the negotiations.

5.105. The representative of Colombia thanked the Chairman and the Director-General for the prompt resumption of the meeting and associated with the statement made by China on behalf of FIFD. Based on Colombia's experience, FDI was one of its developmental pillars as it increased economic growth rates, had a favourable impact on formal labour innovation and brought direct and indirect investment in goods and services to companies especially to SMEs. In fact, FDIs made the inclusion of SMEs to global value chains much easier.

5.106. There was a great asymmetry in terms of the access and capacity that SMEs had when they wanted to expand internationally and when they tried to understand the opportunities, the legal regime, the facilities offered and their chances of succeeding in case they wanted to expand internationally. That was why Colombia had been paying attention to Members' interest in the workshop organized by MIKTA in March. The event highlighted the need to deepen the discussions in aspects related to investment facilitation especially with regard to its contribution to development. Colombia was therefore convinced of the necessity of having an informal dialogue open to all interested Members. That was what pushed Colombia to join and to actively participate in the Friends of Investment Facilitation for Development Group.

5.107. Colombia welcomed that item on the General Council's agenda on the format that had been accorded to it because the Council provided the forum for discussions on such matters to take place. At the General Council, Members could take into account the various opinions on an issue or on any other topic of interest to them. Without prejudice to the results, such was extremely important for the WTO's future. Colombia therefore encouraged and would welcome Members' support to those initiatives.

5.108. The representative of Hong Kong, China saw merit in discussing investment facilitation in the WTO given the important role played by investment as an engine of economic growth, the proliferation of regional and bilateral investment agreements in recent years and the relevance of investment to key areas of WTO work such as services and development.

5.109. The workshop on investment organised by MIKTA in March had received with very positive response. The outcome document which neatly summarized the deliberations provided a solid basis for further discussion.

5.110. Building on that momentum, Hong Kong, China was happy to join others as Friends of Investment Facilitation for Development to launch an informal open-ended dialogue on investment facilitation in the WTO. Members could then have a deeper discussion on what WTO Members could do to facilitate cross-border investment thereby promoting inclusive trade and development.

5.111. The FIFD was clear that the informal dialogue was not intended to limit or prejudice any outcome. It would be open and transparent and all Members were welcome to join. The FIFD expected participants to have a fruitful exchange, sharing their views, experiences, practices, challenges and expectations. Hong Kong, China would keep an open mind on how that dialogue could develop and would work closely with other Members in the process.

5.112. Hong Kong, China thanked the Chairman and the Director-General for conducting the consultations that had made that discussion possible. Although her delegation had hoped that Members would respect others' wish to introduce issues for discussion at the General Council from the start and to share many of the systemic concerns expressed by previous speakers that that had not been the case, Hong Kong, China found comfort in seeing that even when Members held very different views in the end the consensus-building mechanism of the WTO was still performing its vital functions and that allowing issues to be discussed in an open, inclusive and transparent manner was still the Members' preferred option.

5.113. Hong Kong, China hoped that the flexibility, pragmatism and spirit of co-operation that had helped Members reach a solution that day would continue to help them overcome possible challenges in the future.

5.114. The representative of the Bolivarian Republic of Venezuela recognized the efforts of the Director-General and the Members involved in terms of allowing them to move forward on their work. As it had expressed at the HODs meeting on 10 May, Venezuela believed that it was important not to distract Members' attention with regard to issues that did not have a mandate. It was not the right time to explore other issues given the upcoming Ministerial Conference and the Doha issues that remained pending. Venezuela remained convinced that investment was not an issue that fell under the scope of the WTO. Its inclusion on the agenda and on the discussions that they were having that day only distracted their attention and limited the time they had.

5.115. The General Council took note of the statements.

**6 INFORMAL DIALOGUE ON MICRO, SMALL AND MEDIUM ENTERPRISES (MSMES):
STATEMENT BY ARGENTINA, BRAZIL, BRUNEI DARUSSALAM, CHILE, COLOMBIA,
MALAYSIA, PARAGUAY, THE PHILIPPINES, SWITZERLAND, URUGUAY AND VIET NAM**

6.1. The Chairman recalled that on 26 April the delegations of Brazil and Argentina on behalf of a number of Members as had been indicated in the agenda had requested in writing to the Secretariat that that item be included in the agenda. He was informed that in the meantime more Members had requested to be added to the list of sponsors. He invited Argentina to take the floor to introduce the item.

6.2. The representative of Argentina, on behalf of Argentina, Brazil, Brunei Darussalam, Chile, Colombia, Costa Rica, the European Union, Guatemala, Malaysia, Mexico, Panama, Paraguay, Peru, the Philippines, the Russian Federation, Singapore, Switzerland, Uruguay and Viet Nam, said that in the last two years the interest in promoting the participation of MSMEs in international trade had been increasing among WTO Members. Some of the main obstacles preventing MSMEs from engaging more in export-import activities included, but were not limited to, insufficient access to information on market opportunities, high costs to access information on and comply with relevant regulatory measures, high transportation or shipping and other costs related to logistics, limited access to trade finance, digital connectivity and technological development.

6.3. Efforts at the multilateral level in support of domestic policies and development strategies that could increase MSMEs participation in international trade seemed necessary and the WTO had an important role to play in that respect. Enhancing the participation of MSMEs particularly from developing countries and LDCs could also contribute to strengthening global trade growth which had been slowing down in recent years. Recent initiatives had contributed to raising the profile of MSMEs and to fostering debate in the organization. Within that context, Argentina, Brazil, Brunei-Darussalam, Chile, Colombia, Costa Rica, the European Union, Guatemala, Malaysia, Mexico, Panama, Paraguay, Peru, the Philippines, Russian Federation, Singapore, Switzerland, Uruguay and Viet Nam had expressed their willingness to work together with all interested Members in order to set up a process.

6.4. Friends of MSMEs aimed at identifying possible ways forward on MSMEs in the WTO based on concrete proposals and suggestions submitted by Members and at achieving multilateral outcomes at MC11 in Buenos Aires including by building an appropriate platform for future discussions on the subject of the WTO in a long-term and strategic perspective. To facilitate further discussions on MSMEs in the WTO, the co-sponsors would organize an open-ended informal dialogue in which all Members were encouraged to actively participate. Such dialogue would be coordinated by Ambassador Hector Casanueva (Chile). The first such meeting would be convened in May with details to be shared with interested Members shortly.

6.5. The representative of Chile welcomed the work done by the Friends of MSMEs and considered it positive that a significant group of Members had decided to have an exchange of ideas and experiences and to reflect on that area. He was pleased with that commitment. The Friends of MSMEs were trying to identify ideas through relevant tools in regional and bilateral agreements which could improve MSMEs' participation in international trade. They also aimed at making all efforts necessary within the framework of the tasks to be carried out by the WTO and at keeping an eye on MC11 in Buenos Aires which would be an important event for multilateralism. Members should move towards building consensus on having an appropriate platform to discuss that topic to achieve important results. He thanked the members of the group for trusting him and his delegation to carry out the coordination of the informal dialogue of the Friends of MSMEs.

6.6. The representative of Paraguay endorsed the statement by Argentina on behalf of the Friends of MSMEs. Paraguay reiterated its interest in the greater participation of MSMEs in export and import activities, particularly from the perspective of a landlocked developing country where such enterprises were subject to higher transport and logistics costs. Paraguay would participate in future discussions on that issue with a view to finding areas of work within the WTO framework.

6.7. The representative of Pakistan supported the statement by Argentina that launched that initiative. MSME exporters represented an important source of economic growth in both developed and developing countries. In addition to those firms that exported directly to foreign buyers, many more sold products and services to other domestic businesses that in turn incorporated them into export products.

6.8. Globally, SMEs and MSMEs were the leading providers of employment and significantly contributed to value addition. They were in effect directly and indirectly embedded in the international trading system. In Pakistan, more than 90% of its enterprises were SMEs employing 45 million people – around 70% of its labour force. But only 25% of them exported.

6.9. Although MSMEs were responsible for the bulk of job creation, economic dynamism and innovation and were engines of growth and innovation, oftentimes those young, dynamic MSMEs did not participate in trade and in the global economy to a level that matched their potential. SMEs had been largely absent from the broad trade debate and it seemed that Members could be missing an opportunity to support that vital part of every economy. It was an undeniable fact that trading internationally was often much more costly and difficult for MSMEs. The smaller the business, the bigger and more difficult the barriers they faced.

6.10. Pakistan considered that MSMEs' development was directly linked with the development of cross-border e-commerce. Companies could be born global if they were born digital. The benefits and economic growth potential of e-commerce or digital trade should therefore be accessible equally to all people in all countries particularly MSMEs in the developing world. A truly inclusive e-commerce market would be one where anyone could sell to anyone, anywhere, anytime.

6.11. For MSMEs, e-commerce could break the "Iron Law" of International Trade: that only large companies could export. While less than 5% of big companies currently exported, the WTO's 2016 World Trade Report had cited that 97% of internet-enabled SMEs exported. As shared by the Nextrade Group during the e-commerce week of UNCTAD, a survey of 3000 developing country companies had revealed that half of small online sellers exported as opposed to only 20% of offline sellers and more than 60% of online sellers exported to two or more markets.

6.12. Members should support MSMEs to fully integrate into global trade. They needed to prioritize the needs of MSMEs in all streams of their work. That was an issue which they should address and which could make a significant contribution to supporting growth, development and job creation. In their work towards MC11, they needed to keep in mind the challenges faced by MSMEs for them to build a more open and inclusive trading system the benefits of which were available to all. Pakistan requested to be counted as a co-sponsor of that initiative.

6.13. The representative of Switzerland endorsed as a co-sponsor the statement made by Argentina and said that ever since that subject had been introduced at the WTO by the Philippines two years before, Switzerland had always come out in favour of constructive dialogue on MSMEs. As MC11 was fast approaching, Members needed to step up a gear.

6.14. The information sessions and studies conducted by the ITC, the WTO and UNCTAD over the past two years had shown that MSMEs were significantly less well integrated in world trade particularly in the poorest countries. MSMEs often had to face transaction costs that were significantly higher than average. Access to international markets was sometimes difficult or even impossible for some of them. Traditional trade barriers, the cost of complying with disparate regulations and the cost of access to information were not easy obstacles to overcome.

6.15. Members could not keep on ignoring the particular situation of MSMEs. In Buenos Aires, they would have an opportunity to develop multilateral solutions for the benefit of all. Switzerland was ready to engage in that process energetically and in a constructive spirit and urged all of them to participate in the meetings that would be held on that subject in the near future.

6.16. The representative of the European Union was happy to co-sponsor that initiative because MSMEs needed more attention as they were more vulnerable than larger companies. The EU would call for expanding WTO rules in areas addressing SME needs. That did not however mean that Members should elaborate specific SME provisions as a new layer in WTO rules. They needed WTO work on rules whose incidence would help SMEs in particular. In that spirit, the EU was developing ideas toward facilitating SME trade by enhancing transparency of regulatory measures for Trade in Goods. E-commerce was another issue where an update of the WTO rulebook would benefit SMEs.

6.17. The representative of Colombia subscribed as a co-sponsor to the statement made by Argentina. Members should realize the importance of MSMEs in the economic and sustainable development of the world. MSMEs generated 80% of employment in Colombia. As part of its National Production Development Plan, Colombia had therefore been working with MSMEs to try to identify the national barriers that impeded development and was trying to enhance their participation on the international market through innovation. At the national level, the strategy proposed was to facilitate access to financial facilities, to relaunch innovation and to help the transfer of knowledge and technology. Colombia was however fully aware that that work could not be done merely at the national level. According to the 2016 WTO World Trade Report, small enterprises continued to confront disproportionate trade barriers. It highlighted the possibility of adopting consistent measures of national and international policies that undermined MSMEs' potential to effectively take part in the international market. Colombia therefore considered that an open informal dialogue which was what their Group intended to launch would help Members reach consensus and achieve multilateral results in favour of MSMEs at MC11.

6.18. The representative of the Russian Federation said that promoting the participation of MSMEs in international trade was important and fell into the priorities list of the Russian Government. Russia therefore supported the endeavour of Brazil, Argentina and other proponents to foster the participation of MSMEs in international trade. It was vital to advance an informal dialogue in the WTO to raise MSMEs' profile in the multilateral trading system. Russia was ready to work with the Friends of MSMEs and exchange experiences in that field and looked forward to discuss Members' inputs to that end and lay groundwork for an engagement on MSMEs' better inclusion in international trade.

6.19. The representative of Japan thanked Argentina and other Members for their initiative with regard to the work on MSMEs in the WTO. Making trade more inclusive was an important challenge for all Members when they faced skeptical views about trade. They had to make sure that all stakeholders could reap and feel the benefits of trade. Increasing MSMEs participation in international trade was therefore significant.

6.20. It was in that context that Japan was already engaged in various discussions for example on how to make new tools such as e-commerce widely available and how to promote enhanced transparency of domestic regulations, among others. The new initiative by Argentina and other Members was timely and would intensify their work on MSMEs. Members should explore what outcomes could be sought in the WTO to address MSMEs' challenges. Japan looked forward to constructive discussions at the first open-ended, informal dialogue on MSMEs later that month.

6.21. The representative of the Republic of Moldova thanked the Director-General and the Chairman for their negotiating skills and patience. Regarding the informal dialogue on MSMEs, as a landlocked developing country, the Republic of Moldova would like to officially join the proposal on MSMEs presented that day by Argentina and other co-sponsors. MSMEs, investment facilitation and e-commerce were essential in the digital era of human development. E-commerce and MSMEs were main priorities for the Moldovan Government and the WTO had a role to play to help elaborate the digital economy for inclusive economic growth of SMEs and to encourage growth and economic integration among participating Members.

6.22. Regarding MC11, Moldova felt that a huge pressure was mounting up on all of them to come up with a real and achievable proposal at MC11 in Buenos Aires. Members were animated by their sincere desire to obtain good results at MC11 as they had seen during the informal and formal HODs meetings in the last two weeks. Moldova however doubted it. When pressure was high and time was short, what did "good results" mean for them? Should they agree in Buenos Aires to take a decision about an action or to take action? A decision was measured by the fact that one had taken new action. If there was no action, one had not truly decided yet. Could that be done? Could

they decide and take action? Moldova said they could and they had proven so in the Ministerial Declarations of Nairobi and Bali.

6.23. Moldova expressed its support and openness to the ideas of the WTO on commitments to identify efficient decisions for which they could and would find consensual approval. His delegation reiterated the importance for the initiation of discussions before the draft of the Ministerial Conference Declaration to be approved in Buenos Aires.

6.24. The representative of Canada said that Canada was committed to advancing the integration to the multilateral trading system particularly of MSMEs. Those enterprises were an important component on all of their economies. Canada welcomed the suggestions by the group of Members to launch an informal dialogue and would actively participate in discussions to determine what could be done in the organization to assist MSMEs to advance their trading interests without prejudice to any potential outcomes for MC11.

6.25. The representative of the Republic of Korea thanked the Philippines and co-sponsors for the proposal on an Informal Dialogue on MSMEs and their efforts during the past years to bring that issue to Members' attention. There had been a number of activities on MSMEs including a workshop and a Public Forum session in 2016 which had been useful opportunities to enhance understanding on that initiative.

6.26. MSMEs played an important role for employment and economic output particularly in developing and least-developed country Members. It was all the more important to ensure that MSMEs made the best of the opportunities their participation in global trade offered by helping them overcome such obstacles as had been presented in the statement of the Philippines.

6.27. In the run-up to MC11, the proposed Informal Dialogue would be another good opportunity to identify the role that the WTO could play in that regard. Korea looked forward to participating in the proposed Informal Dialogue and wished its success.

6.28. The representative of Nigeria welcomed the informal dialogue on MSMEs by Argentina and several other proponents. MSMEs were critical to the development of any economy including Nigeria. As they possessed great potential for future generations, improvements of local technology, output diversification and development of local entrepreneurs would further the integration of the low-skilled industry. Nigeria therefore supported the informal dialogue to facilitate and sustain the MSMEs sector which was right for national economic growth and employment. Nigeria acknowledged the importance of having informal dialogues to facilitate the participation of MSMEs in global trade and to ensure the maximum benefits for that sector and looked forward to actively participating in an appropriate platform to discuss that important subject in an equal manner without prejudice to the potential outcomes.

6.29. The representative of Thailand thanked Argentina and the co-Sponsors for their Joint Communication on an Informal Dialogue on MSMEs at the WTO. As was the case for many developing countries, SMEs played a significant role in the Thai economy. At present, SMEs made up over 90% of Thailand's total enterprises accounting for approximately 40% of GDP providing jobs for over 80% of the workforce. In recognizing their invaluable contribution, Thailand was committed to enhance MSMEs' capacity so that they could be integrated into the global value chains. The complete implementation of the TFA would substantially help MSMEs in that regard. Technical cooperation under various international frameworks including the WTO Aid for Trade Programme would further contribute to the development of MSMEs. Thailand stood ready to constructively engage in the discussion to further strengthen MSMEs' participation in global trade under the WTO framework.

6.30. The representative of Chinese Taipei joined the Philippines, Argentina, Chile and other Members in co-sponsoring the joint communication on an informal dialogue on MSMEs. Chinese Taipei was glad to see Members continuing to keep MSMEs on the agenda. The participation of MSMEs in international trade and production networks had always been one of the priorities of Chinese Taipei's industrial policy. They could however also see that some MSMEs of different Members faced trade barriers to participate in the multilateral trading system and the GVC. MSMEs were at a severe disadvantage when it came to accessing global markets as compared to multinationals. MSMEs should be a high priority for MC11. Chinese Taipei therefore welcomed the

initiative by the Philippines and other proponents. If Members wanted inclusive and fair trade, MSMEs should have the ability to share in the benefits of the global economy. Members should try to identify and examine cross-cutting issues relevant to the WTO such as the challenges MSMEs were facing while international trade landscape was changing and what the multilateral trading system did and could do to encourage more widespread and inclusive MSMEs participation in the global market. Chinese Taipei looked forward to discussing constructively with other Members on that topic through the coming informal dialogue.

6.31. The representative of Hong Kong, China welcomed deeper conversations on MSMEs and thanked the proponents for their initiative. Hong Kong, China was aware of the huge potentials available to MSMEs and the significant benefits to the economy if Members could enhance the participation of those companies in international trade. At the same time, her delegation was aware of non-tariff barriers and capacity, infrastructural and technological constraints that prevented them from fully exploiting their potential. Given the large number of SMEs and MSMEs in Hong Kong, China, her delegation found it useful for Members to have informal dialogues to explore how the WTO could help SMEs and MSMEs integrate into the global market. Hong Kong, China looked forward to more work to be done in that regard.

6.32. The representative of Singapore said that enhancing MSMEs participation in international trade was an important issue for developed and developing countries. MSMEs were vital to Members' economies and a key engine of economic growth. Integrating MSMEs in international trade and GVCs could make trade more inclusive. Singapore encouraged other interested Members to join the informal dialogue on MSMEs and looked forward to productive discussions on the topic.

6.33. The representative of the Philippines, on behalf of ASEAN, noted that ASEAN was currently the world's third largest market with more than 600 million people. MSMEs which accounted for more than 96% of all enterprises and up to 97% of employment in ASEAN played a critical role in the region's economic development and growth. As ASEAN began the implementation of the ASEAN Economic Community (AEC) Blueprint 2025 particularly the third pillar on "Equitable Economic Development" the importance of MSMEs development was highlighted where the progress of MSMEs was key towards narrowing the development gap. ASEAN also had in place a Strategic Action Plan for MSME Development where it was committed to realizing the vision of globally competitive, resilient and innovative MSMEs by 2025. In that context, ASEAN was happy to share its regional experience and work together with interested Members in identifying ways to achieve an outcome on MSME in the WTO without prejudice to their respective national positions.

6.34. The representative of Australia welcomed the proposed informal dialogue on MSMEs and looked forward to participating and working with others towards outcomes for MC11 that would facilitate trade and deliver for MSMEs. An MC11 outcome on MSMEs would complement Australia's broader industry and innovation policy which consisted of promoting growth opportunities for SMEs. Australia knew the important contribution MSMEs made to the economies of all Members and noted the significant benefits that would come from increasing the participation of MSMEs from developing and LDC Members. Australia looked forward to participating on that initiative.

6.35. The representative of New Zealand noted that MSMEs was a very important component of the New Zealand economy and realized that they faced particular challenges to engage in international trade. Some of them had been mentioned that day: access to information about regulation on other markets and what Members could do to enhance transparency and facilitate access to that information; other costs that enterprises faced and what they could do to reduce the expenses associated with trade including the implementation of the TFA; and more significantly overheads for smaller enterprises and what they could do to ensure the removal of unnecessary differences on their regulations in both goods and services. New Zealand looked forward to participate in the upcoming dialogues on those issues.

6.36. The representative of South Africa said that as was the case with investment facilitation, South Africa had a similar attitude and approach towards MSMEs. There was no agreement to bring that issue into the formal processes of the WTO. Informal discussions on MSMEs had been going on outside the formal structures of the WTO. South Africa proposed that that approach continued and it was prepared to engage. South Africa was yet to be convinced that the problems faced by their SMEs could be addressed in the WTO through its rule-making functions. Most importantly at that time South Africa did not accept or agree with the proponents' view that MSMEs was an issue for decision for guidance by Ministers at MC11.

6.37. The representative of India thanked Argentina and the other proponents for their joint statement and noted that those delegations had proposed launching an open-ended informal dialogue. India also noted that that initiative was aimed on achieving an outcome at MC11. Delegations had emphasized the importance of MSMEs in their national context, but India wished to raise some serious concerns in that regard.

6.38. India wondered what specific results the proponents sought to achieve, and noticed many ideas from the submission of some of the proponents. Most of them, however, such as eliminating NTMs and implementing the TFA had general nature and were not specific to MSMEs. That was an issue that India had raised on previous occasions as well. WTO disciplines and flexibilities were not amenable to be used to target some national entities exclusively such as MSMEs. The WTO provisions were neutral to the size or type of business entities. For instance on how it would be feasible to specifically target the goods and services emanating from MSMEs for applying, for example, reduced border procedures, it could be quite hard for an importer to demonstrate that the goods had actually originated from a MSME. That would in fact add another layer of scrutiny and perhaps other procedures which were surely not intended.

6.39. Likewise, issues such as transparency, access to information and single-window were very broad in nature and applied equally to all businesses, whether big or small. Conversely, were they implying that MSMEs would be exempt from those requirements?

6.40. Secondly, it was important to understand the basic concept of MSMEs. India acknowledged that the MSMEs concept existed in most economies. The definition however varied widely. What was small in a developed Member could not be so in a developing country. Therefore, before initiating discussion on what Members could do to benefit MSMEs on a rule-based organization, it would be essential to have a common understanding on the basic concept of MSMEs. The rule-based nature of the WTO placed it on a completely different level compared to other organizations in which discussions on various subjects could take place in generalities.

6.41. Thirdly, it was clear from WT/GC/W/731 dated 24 February 2017 that e-commerce issues had also been raised on the MSMEs concept. The Ministerial Declaration of 20 May 1998 had already established a comprehensive work programme to examine all trade-related issues of Global Electronic Commerce. If some Members therefore wanted discussions on any trade-related aspect of e-commerce, they should approach the relevant bodies as had been set out in that programme. India did not endorse any discussions related to e-commerce in any other bodies or formats under various pretexts like MSMEs.

6.42. Fourthly, India noted the proponents' intentions to bring results of their informal dialogue to the General Council for review at a late stage. While a group of Members could continue the informal engagement of any issue of their interest that did not require a formal endorsement of the General Council. For an issue to be formally reviewed by the Council, it was however essential that the matters should first fall within the mandate of the General Council to be endorsed by all Member by consensus. And it was clear that there was no consensus on that issue.

6.43. The representative of Nicaragua said that the importance of MSMEs in the economies of developing countries could not be denied such as their effect on job creation. For Nicaragua, those economic structures were extremely important as they generated approximately 65% of formal employment registered, 45% of GDP and 35% of the total export of its country.

6.44. The vast majority of MSMEs were family-based enterprises. In the context of Nicaragua's national development plan, it had included guidelines for activities to develop family economies through the promotion of fair trade and the trading of products of its national and international markets. The internationalization of those kinds of enterprises was crucial for the development of the sector because it extended their trading opportunities and allowed them to compete in a much better capacity in terms of trading on goods and services.

6.45. Members should not forget the various obstacles faced by MSMEs in the operating environment. Because of the organizational culture it meant that their sustainability was made more complicated. But through dialogue and exchange of experiences it was possible to cooperate and try to correct those obstacles which to a large extent were faced by MSMEs in terms of internationalizing their products. Members should therefore take into account the needs of

everybody especially those from developing countries and small economies. Nicaragua was interested in that topic and hoped to have more details from the proponents about the approach they intended to take.

6.46. The representative of the Plurinational State of Bolivia thanked Argentina and other proponents for their statement on MSMEs. MSMEs played a significant role in many aspects of Bolivia's economy, including job creation. Bolivia had been following a number of events and proposals on MSMEs and noted that discussions as they had been progressing to date failed to raise the key issue of the real and tangible fact that MSMEs in developing countries were completely different from those in developed countries posing a substantive problem.

6.47. Members could meet to discuss that or any other issue in whatever format they would chose provided that it was consistent with WTO rules. There was, however, no consensus on the WTO taking any action on that topic. The issue of MSMEs should be analysed in the context of paragraph 34 of the Nairobi Declaration and priority should be given to concluding the outstanding DDA issues at the MC11. Bolivia hoped that proposals of that kind would not affect the possibility of agreements being reached on DDA issues at MC11.

6.48. The representative of Norway welcomed the initiative to start an informal dialogue on MSMEs. Making trade more inclusive was an overall challenge for everyone and increasing MSMEs participation in international trade would be a welcome contribution towards that goal. Several delegations had mentioned that implementing the TFA combined with technical assistance was important. Norway agreed. Members knew that that was one of the main tasks ITC was already working on. As with the EU, Norway would not seek particular rules for MSMEs but would rather look at how Members could increase MSMEs participation through other measures such as by simplifying the procedures they were faced with. Norway again referred to trade facilitation and access to information and looked forward to participate in further informal talks on MSMEs.

6.49. The representative of Cuba thanked Argentina and the other proponents for their initiative. The topic of SMEs was not included under the Doha Mandate and should not therefore become a priority. As Cuba had pointed out under item 1 of the Agenda, the purpose of bringing that issue to the organization which established multilateral norms had not been clear. Cuba did not see how the traditional rules of the WTO could address for example the existing differences between SMEs in developing countries and in developed countries. It would appear that that was a stepping stone towards a reinforced mandate on electronic commerce with which Cuba did not agree. Cuba had made its position on new issues perfectly clear and took note of the wish to maintain the informal dialogue Members had had until then but did not envisage a hasty result or mandate on that topic on which many developing countries still had serious misgivings.

6.50. The representative of Colombia, speaking on behalf of Panama, said that Panama had co-sponsored that initiative because of the social and economic functions accomplished by MSMEs for developed, developing and LDC nations. In Panama, there were currently more than 600,000 SMEs which employed around 900,000 individuals in a country whose population was 3.5 million. That meant that more than 28% of the economically active population were part of MSMEs. Panama had consequently been implementing a strategic plan which sought to strengthen the competitiveness of MSMEs. Despite their efforts however MSMEs continued to be less competitive and more vulnerable with regard to trade barriers and that was where the WTO could play an important role through promoting an inclusive trading system where enterprises no matter their size, sector or location could benefit from equal access to global trade. It was important for a dialogue to be maintained within the WTO that would allow Members to explore the ways in which current rules of the WTO could contribute to strengthening and empowering development of MSMEs.

6.51. The representative of China welcomed the joint communication made and the initiative launched by the Friends of MSMEs. How to better integrate MSMEs into the global value chain had been a priority for a long time of many Members, including China. An exchange of information and ideas in that area had been important. There had been a need to provide a forum for Members to discuss how they could define the scope of MSMEs and enhance their ability to trade. In that regard, China welcomed the informal dialogue launched by Friends of MSMEs and expressed its interest to participate in the dialogue of MSMEs.

6.52. The representative of the Bolivarian Republic of Venezuela said that in line with Venezuela's view on the issue of investment, it was important to concentrate on completing the remaining issue of the Doha Round before tackling new issues. And as other delegations had said, there was no consensus to address the MSMEs issue.

6.53. The representative of Uruguay supported the interesting initiative and thought that it was somehow an unexplored territory. It could be fruitful and interesting if Members would continue with it. Uruguay congratulated Argentina for the proposal and the work undertaken and hoped that they would be able to continue that in Buenos Aires and achieve a successful MC11.

6.54. The General Council took note of the statements.

7 COMMITTEE ON BUDGET, FINANCE AND ADMINISTRATION - REPORT ON MEETING OF MARCH 2017 (WT/BFA/162)

7.1. The Chairman drew attention to the reports of the Committee on Budget, Finance and Administration (CBFA) in document WT/BFA/162 and invited Mr Peter Brňo (Slovak Republic), Chairman of the Committee, to introduce the reports.

7.2. Mr Peter Brňo (Slovak Republic), Chairman of the CBFA, reported that through the Annual Risk Report, the CBFA had been informed of the two risks deemed as most critical as well as the mitigating actions being undertaken. Those risks were the financial risk pertaining to the After Service Health Insurance liability and the risk of a cyber-attack.

7.3. The Committee had also deliberated upon a document that had made proposals emanating from the salary survey and for an adjustment of WTO dependency allowances. Given the complexity and intricacy of those two topics, the Members had raised a lot of questions. The subjects had to be presented in two separate documents and enhanced to improve their clarity ahead of further discussions at the next CBFA meeting.

7.4. The Committee had reviewed the 2016 Annual Report on Diversity which had shown positive trends in both gender and geographic diversity since 1995. Highlights included the fact that representation of professional staff members from developing countries and LDCs had increased from 21.6% in 1995 to 35.2% in 2016 and that females had made up 44.6% of the professional staff compared to 31% in 1995. The Committee had noted that gender parity at senior grades had been challenged by the fact that only 35% of applicants for Grade 10 and 23% of applicants for Grade 11 vacancies respectively in the recent past had been women. The Committee had appreciated the efforts being made by the Secretariat to broaden the platforms for placing vacancy announcements including social media. The Committee had encouraged the Secretariat to continue its efforts in that regard.

7.5. The Committee had been updated on the status of external audit findings and recommendations and the steps that had been taken by the Secretariat to address them. The Committee had also been informed that in 2017 performance audits would be undertaken on the organization of the WTO Ministerial Conferences, Information Security and Confidentiality and a follow-up on IT Strategy and Business activity.

7.6. At the end of the CBFA meeting, the Chairperson had urged Members to liaise with their capitals to request them to make contributions to replenish the Trust Fund earmarked to finance the participation of LDC Delegates at Ministerial Conferences.

7.7. The General Council took note of the statement of the Chairman of the CBFA and adopted the report in WT/BFA/162.

8 CHAIRMANSHIP OF THE WORKING GROUP ON TRADE, DEBT AND FINANCE – STATEMENT BY THE CHAIRMAN

8.1. The Chairman recalled that at the reconvened meeting of the General Council on 7 April, the Council had taken note of the consensus on the slate of names for officers to WTO bodies. At that meeting, he had announced that consultations had been continuing to fill the position of the Working Group on Trade, Debt and Finance and that in that respect the Selection Committee

would communicate with Members in due course. One delegation had expressed an interest in chairing the group and they were in the process of consulting group coordinators on that expression of interest. The Chairman would communicate with Members in due course.

8.2. The General Council took note of the statement.

9 STATEMENT BY THE CHAIRMAN IN CONNECTION WITH ADMINISTRATIVE MEASURES FOR MEMBERS IN ARREARS

9.1. The Chairman recalled that the revised Administrative Measures for Members in arrears, contained in WT/BFA/132 Annex I had entered into force on 1 January 2013. Those measures included a requirement that at the end of each meeting of the General Council the Chairperson of the Committee on Budget, Finance and Administration should provide information with regard to which Members and Observers were under Administrative Measures. He invited the Chair of the Budget Committee, Mr Peter BRŇO (Slovak Republic), to provide the Council with that information.

9.2. Mr Peter Brňo (Slovak Republic), Chairman of the CBFA, reported that the Administrative Measures applicable to Members and Observers with arrears in contribution had been implemented since 1 March 2013. In accordance with the decision of the General Council, he should state all Members and Observers under all categories. As at 9 May 2017, there were 26 Members and 2 Observers under Administrative Measures.

9.3. He recalled that Members and Observers had received their assessment letters for the 2017 contributions to the WTO budget in early December 2016. A number of Members and Observers had become subject to Administrative Measures at the beginning of 2017 and some had changed categories. The Director-General had notified those Members by letter on 13 February.

9.4. The following 15 Members were currently in Category I: Afghanistan; Antigua and Barbuda; Plurinational State of Bolivia; Democratic Republic of the Congo; Dominica; El Salvador; Guinea; Malawi; Mozambique; Papua New Guinea; Rwanda; St Vincent and the Grenadines; Solomon Islands; Uganda; and Vanuatu. Cameroon was the only Member in Category II. The following 8 Members were in Category III: Burundi; Central African Republic; Djibouti; Guinea-Bissau; Mauritania; Niger; Sierra Leone; and Bolivarian Republic of Venezuela. A request for the suspension of administrative measures had been made by Guinea-Bissau. That request had been presented to and considered by the CBFA. A recommendation would be submitted to the General Council for consideration and approval at its next meeting. There were 2 Observers in Category III: Libya and Sao Tomé and Príncipe.

9.5. The Chairman said that he was also required at each Council meeting to request Members and Observers in Categories II and III of the Measures to inform the Secretariat as to when their payment of arrears could be expected.

9.6. The General Council took note of the statement.

ANNEX 1

THE REPORTS OF THE DIRECTOR-GENERAL AND THE CHAIRS OF THE NEGOTIATING GROUPS AT THE INFORMAL HEADS OF DELEGATION MEETING HELD ON 8 MAY 2017

Report of the Director-General

In discussing our work here, I think we must always be conscious of the broader context.

Last month we published the WTO trade forecasts and statistics, providing a timely reminder of the situation before us today.

We reported that in 2016 world trade grew at the slowest pace since the financial crisis. The final figure for trade growth was 1.3% – below even our revised estimate of 1.7%, which itself was already below the estimates of other institutions.

In 2017, some early indicators point to a recovery in trade growth. And this, combined with an expected recovery in global GDP, provides some cause for cautious optimism.

So, we expect world trade growth to rise to around 2.4% in 2017. However, because of the high level of economic and policy uncertainty, we placed this figure within a range from 1.8% to 3.6%. So, anything within that range could be happening.

This uncertainty that we see is the key point. And in more ways than one, it will remain a determining factor in our work here. We know, however, that through our work we can affect this outlook.

So let me turn now to my recent consultations.

Since we last met I have had discussions with a wide range of Members here in Geneva.

I was honoured to welcome President Michelle Bachelet of Chile to the WTO at the end of March, and pleased to see hear her strong message of support for the trading system.

I have also met with the Group Coordinators and various Ministers – and conducted bilateral visits to Sweden, Finland and Portugal.

In addition, I attended the EU Trade Ministers meeting in Malta and also the UN Chief Executives Board for Coordination here in Geneva, convened by the new UN Secretary-General, Antonio Guterres.

On the 10th of April I met with Chancellor Merkel in Berlin, together with the heads of the IMF, World Bank, ILO and OECD. That meeting was convened by the Chancellor herself, and focused on how to make trade and globalization more inclusive.

On the 24th of April I was pleased to welcome Susana Malcorra, in her roles as Argentina's Minister for Foreign Relations and host of MC11.

She and I together hosted a roundtable meeting with the Chairs of Negotiating Groups. This was actually the first time we have had such a meeting between a Ministerial Conference host and Negotiating Group Chairs during a preparatory phase for a Ministerial Conference.

I think this demonstrates Argentina's engagement and commitment to a successful Ministerial – and I have no doubt that this will be very welcome by all members.

The Chairs briefed the minister of progress in their respective areas.

Minister Malcorra stressed her view that we are in uncertain and challenging times, and that Buenos Aires should be the occasion where all Members recommit to safeguard the multilateral trading system. I think this underlines the critical importance of our work and the serious responsibility that we each have on our shoulders.

She stressed that we should not recommit to the system for its own sake. Rather, she suggested we should do so in order to forge a positive way forward for cooperation on trade issues in the 21st century.

Of course, MC11 is an opportunity to advance in this direction. And, as ever, achieving results will require flexibility, open-mindedness, realism, clarity and creativity. We should avoid simply staying in our comfort zones and repeating old positions.

A lot of activity was happening during UNCTAD's E-Commerce week. This event provided the opportunity for a range of exchanges between members and other stakeholders on a number of important issues.

For example, the Friends of E-Commerce for Development used that occasion to hold a ministerial meeting, which I was pleased to attend at their invitation – alongside UNCTAD Secretary-General Kituyi.

This was the first meeting of that group at the ministerial level – and was also attended by some who aren't formal members of the group. It was a good discussion with a range of ideas being put forward. There was a clear sense of strong political engagement – and a clear desire to maintain this dialogue.

I also participated in a number of other events during the e-commerce week, including UNCTAD's high-level panel session. And I had a series of discussions with other stakeholders from the private sector and elsewhere – including meeting with Jack Ma, the founder and Executive Chairman of Alibaba, here at the WTO, in his role as Special Advisor to UNCTAD for Youth Entrepreneurship and Small Business.

The high level of business engagement which we saw during 2016 has clearly continued into 2017. I saw this again at the B20 Summit in Berlin last week, and it has been quite clear week-in, week-out here in Geneva.

I think that this is very helpful for our discussions as it provides an alternative perspective. Moreover, we are increasingly seeing these stakeholders put forward concrete ideas which may help members to develop their thinking on particular issues.

And, indeed, Members have been very active themselves in recent weeks.

You have been exploring different areas and in some of them you are beginning to move towards higher levels of specificity.

As we will hear, the Doha negotiating groups have been continuing their work, and some have been particularly active – for example:

- the Special Session of the Council for Trade in Services,
- the working party on domestic regulation,
- and the Rules Negotiating Group – specifically regarding fisheries subsidies.

With Members now having finally appointed the remaining Chairs, activity is quickly picking up in the other areas too. The new Agriculture and Dispute Settlement Negotiating Chairs have already been engaging with Members. Other Chairs have also been continuing their contacts with delegations on the way forward.

We have seen a number of new papers and ideas being put forward – covering issues such as domestic regulation; trade remedies; services facilitation and investment facilitation. I am informed that other papers and ideas are in the pipeline in areas such as Special and Differential Treatment and SMEs.

Groups of Members have organized seminars or informal dialogues to help inform some discussions – and more of these are being prepared.

I welcome the energy that these informal sessions are injecting into our work. Importantly, there is a genuine openness in the approach undertaken by the proponents – given that all Members have been invited and encouraged to actively participate.

My hope therefore is that we can sustain this prevailing momentum and positive engagement.

Of course this should include steps on development and in support of LDCs – as well as steps in those areas where action is mandated at MC11, such as public stockholding.

The forthcoming Aid for Trade Global Review will help to put a very welcome spotlight on some of these issues.

It is already May. Time is passing quickly.

By the summer break our preparations for Buenos Aires should be advancing with a much greater sense of clarity and purpose.

As I have said before, proponents have a particular responsibility here to build momentum behind their ideas.

The Chairs and I will do our part to keep the entire membership on board for any progress that you can collectively achieve.

Reports of the Chairpersons of Negotiating Groups

1. Committee on Agriculture – Special Session

Following my election as Chairman of the Committee on Agriculture in Special Session on 26 April 2017, I started consulting with Group Coordinators and individual Members who wished to meet with me on 27 April. In the last six working days, I have gone through 20 consultations, some of them with group coordinators representing the bulk of the membership. This is work in progress and I will see five more delegations tomorrow. And, I will continue with all those who wish to see me. My door as I mentioned during my acceptance speech will remain open in the service of Members.

During these meetings, I listened to delegations' views about what could be realistically achieved in Buenos Aires and how progress could be made on these subjects.

More specifically, I focused on Priorities, Process and Prospects - my 3 Ps - for MC11. I therefore invited delegations to respond to the following three questions:

First, what are your priorities for MC11 as a delegation?

Second, what process in your view would lead to outcomes for your stated priorities?

Third, on prospects, where do you see the main difficulties given the current negotiation situation?

In terms of the 3 P - Priorities, Process and Prospects for Agriculture in MC 11, I was constantly reminded during the consultations that MC 11, is just one of many future steps to be taken one at a time. Members are determined for a successful Ministerial. They appear wishing to continue with guarded optimism, informed prioritization and desired creativity.

I also asked delegations to express their detailed view on the various issues identified by my predecessor in his last stock-taking exercise.

The first round of consultations, as I mentioned is not yet finished and I am therefore not in a position to report in an exhaustive and detailed manner on these consultations today.

I will therefore limit myself to a couple of observations.

First, I was encouraged during my consultations by the level of engagement of most delegations and by the on-going reflections on various issues under consideration.

In terms of the process forward, I was informed that some of these discussions were more advanced than others and more time was needed before submissions could be circulated.

In terms of priorities for MC11, what I have heard so far confirmed to a large extent the picture drawn by my predecessor at the end of last year, and more precisely:

Domestic Support

On domestic support, the views diverge on what could be achievable at MC11. For many Members that were consulted, Domestic Support remains a priority issue. Some have nevertheless highlighted contextual difficulties, and a few others have indicated their red-lines. On a positive note, however, Members are generally ready to continue working to identify potential deliverables.

On cotton domestic support, an overwhelming majority of Members reiterated their support for a meaningful and specific outcome on cotton.

Public stockholding for food security purposes

All Members are cognisant of the mandate to find a permanent solution to this issue by MC11. However, the positions of Members have not evolved, most notably regarding who should suggest ways to address the concerns expressed by the non-proponents. Nonetheless, I noticed that more thought has been put by some Members into this issue, including how to better use the dedicated sessions – and I will mention something toward this later.

Market Access

Some Members continue to be interested in outcomes in agricultural market access for MC11 and consider that outcomes on specific elements within this pillar could be possible. Others are of the view that achieving outcomes in MC11 could be difficult in the absence of outcomes in other areas.

SSM

Members recognise the need to pursue negotiations on the SSM in dedicated discussions of the CoASS. However, Members continue to have divergent opinions regarding what outcome would be realistic in the current context.

Other Issues

As regards other issues, I heard in particular a number of importing Members expressing an interest in the area of export restrictions. The specific contribution from Singapore of July last year related to enhancing transparency of these measures continues to attract both interest and support from a large number of Members.

To conclude on the substance, based on my consultations to date, I must say that there were varied expectations amongst Members on what is realistically achievable at MC11.

I will continue, as I said, with a round of consultations tomorrow.

I will then convene an informal open-ended Special Session of the Committee on Agriculture on 1 June and two separate open-ended Dedicated Sessions on Public Stockholding for Food Security Purposes and on Special Safeguard Mechanism on 2 June.

These meetings will constitute our first collective in-depth stock-taking exercise since I assumed the Chairmanship of the Special Session.

During these meetings, I will first report in detail on my consultations. Delegations will be given the opportunity to express their views on what can be realistically achieved in Buenos Aires. They can also give an assessment of the progress that has been made in the last couple of months to

the whole Membership and may introduce any submission circulated since the last informal meeting of the Special Session.

2. Negotiating Group on Rules

The Negotiating Group on Rules has been actively engaged on the issue of fisheries subsidies since last fall, when we received the first of five new proposals, to date, by Members. I should note that all of the proposals make reference to Sustainable Development Goal Target 14.6, which calls for the elimination of certain fisheries subsidies and refers to the WTO negotiations on this issue; and all of the proposals are aimed at achieving outcomes at MC11.

Our process has been proposal-based and Member-driven. After each new proposal was received, it was discussed in open-ended informal plenary session. In parallel with these sessions, we have earlier this spring begun a process of topical discussions of common themes and issues that have been raised in the proposals themselves as well as in the related discussions in the Negotiating Group. This process, in which all Members are free to participate, runs in parallel to our normal open-ended sessions. The idea of the topical sessions is to deepen the technical discussions of the issues that will somehow need to be addressed and resolved if we are to find a consensus solution on this issue. We have further open-ended informal meetings and topical sessions scheduled for mid-May and mid-June. For these topical sessions, the topics have been identified, and questions for discussion have been submitted, by the proponents. Other Members also are free to submit questions, as well as any written responses or comments on any of the topics, for consideration at these sessions.

In addition to these sessions, and to prepare for our intensified work on fisheries subsidies, earlier this spring we held a one-day technical briefing for the Negotiating Group. At the session, experts from UNCTAD, UNEP, the World Bank, the FAO, and some regional fisheries management organizations made presentations relating to technical fisheries topics that have been identified as relevant to the Group's work.

Turning to the other main pillar of Rules, trade remedies, we recently received a new proposal from one delegation which has been circulated in document TN/RL/GEN/185. Consistent with my commitment to provide any proposal, under any pillar of the Rules negotiations, with an equal opportunity to advance, on its own merits, I have scheduled a meeting with selected delegations in respect to that proposal this Thursday - 11 May, to be followed by an open-ended informal meeting for the presentation and discussion of that proposal on 31 May.

3. Council for Trade in Services – Special Session

In my last report to Heads of Delegations, I had summarized the state of play by saying that there was a readiness to advance the negotiations and to engage, subject to adequately taking into account development aspects. The areas that had been highlighted by various Members as priorities for negotiating work were domestic regulation, services trade facilitation, market access, and services aspects of e-commerce.

Since then, I have held numerous consultations with delegations, either one-on-one or in groups. The state of play now differs markedly on each of these topics.

First, concerning market access and services elements of e-commerce, I see that a number of Members have interest in these two topics. However, I have stressed for some time the need for concrete proposals from Members in order to move ahead. I understand that delegations are reflecting and discussing amongst themselves, but we do not currently have proposals on these topics. Obviously, for any constructive discussions to take place this year, proposals would have to be made very soon.

Second, with respect to domestic regulation, work in the WPDR has moved to discussion of several text proposals from a number of Members. These cover 'administration of measures', 'transparency', 'development of measures' and, more recently, 'technical standards'.

From my consultations with the Chair of the Working Party, I understand that substantive discussions of all proposals are taking place with a wide level of engagement. The WPDR Chair considers that the next steps would be to have a complete set of substantive proposals on the

table ideally before the summer, and then to integrate these texts on the basis of discussions among Members. This should permit a better appreciation of the overall potential package. While specific proposals development aspects have yet to be tabled, there is a general appreciation that this would form an important part of an outcome.

Clearly, negotiations on this aspect are more advanced than on other services topics, and I encourage further engagement from all sides in the WPDR with the aim of working towards conclusion of these long-mandated negotiations in a manner that brings benefits to all.

Third, India has submitted a proposal on Services Trade Facilitation. India's latest communication, which proposes the legal text of a TFS agreement, has been presented in the WPDR, the regular session of the Council for Trade in Services, and last week in the Special Session. The level of discussion has been good, in that many issues were raised and discussed. Clearly, the views of Members differ significantly, and more discussions will need to take place. At the request of Members, I undertook to consult to see how to best facilitate further discussions on this topic.

In conclusion, the Special Session, as well as the WPDR, will continue to hold informal and formal meetings as appropriate to allow full discussion of proposals and to encourage progress in all areas where feasible. I stand ready to hold a meeting of the Special Session in June. Already, the Chair of the WPDR has convoked an informal meeting tomorrow, and further discussions will take place in the services cluster in June.

Overall, I still sense a desire to engage if the proponents are realistic, pragmatic, and take due account of development considerations.

4. Negotiating Group on Market Access

I provided detailed reports on the state-of play of the NAMA negotiations in two documents issued on JOB/TN/MA/1 (dated 29 November 2016) and JOB/TN/MA/2 (dated 5 December 2016).

The reason I refer to them today is that unfortunately, I have not yet received indications that the situation has changed.

In these circumstances, I would like to briefly summarize my understanding of the positions expressed by Members so far.

On tariffs – the positions continue to remain far apart as follows:

- There are those members that don't want to cut tariffs at all; they would like to maintain their level of protection.
- There are Members who condition tariff cuts in NAMA to results in other areas especially in agriculture;
- There are Members who are sceptical about tariff cutting at the multilateral level and prefer plurilaterals e.g. ITA-type initiatives.
- Other Members believe that tariff cuts are not feasible today and that the focus should be to increase tariff bindings and reduce water;
- Having recalled these positions, I would also note that there are a few Members who have expressed some interest in a NAMA multilateral tariff cutting negotiation. But, and this is a big BUT, there have been no new proposals from any quarter. So it is difficult to re-engage given that we are working on the basis of a member-driven approach and process.
- On NTBs, the situation is less bleak. NTBs have been mentioned frequently by Members in my consultations and in the negotiating group meeting. But similarly to tariffs, no proposals have been tabled so far.

- At the same time, I understand that there may be a proposal in the pipeline. We will need to see how to resume work and possibly provide a deliverable for MC11 following an eventual tabling of this proposal.

In terms of next steps, I repeat my call for proposals from those who would like to see re-engagement in the NAMA negotiations, either on tariffs or NTBs. This is critical to re-injecting momentum in the discussions. Based on upcoming developments, I will hold consultations and convene a NAMA meeting to report on these consultations and discuss any possible new proposals.

5. Committee on Trade and Environment – Special Session

Since our last HODs meeting in December 2016, I have held a round of bilateral consultations reaching out to all delegations. I am pleased to report that several delegations responded positively, and met with me last week.

My intention with the consultations was to have an update on delegations' views on whether there was scope in this ministerial year to turn delegations' repeated expressions of goodwill and support for the topics of the environment and sustainable development into restarting work in the CTESS. Moreover, through the consultations process I was seeking to get a better sense of whether the level of priority that some delegations gave to the CTESS may have changed in light of recent developments, including efforts on environmental goods pursued by a subset of WTO Members in the context of EGA negotiations.

Like on previous occasions, delegations reiterated their continued support for, and interest in, the issue of trade and environment in the WTO. That said, I did not detect any change in Members' underlying positions, nor did I sense any intention on the part of Members to come forward at this juncture with concrete proposals on how to advance our work. This leads me to believe that time is needed for delegations to define with a greater degree of precision how to proceed with the CTESS mandate.

I also recognize that several delegations are carefully considering the CTESS mandate within the broader context of the many other moving parts involved in our preparations for MC11. In this regard, one Member pointed out that the ongoing discussions on fisheries subsidies had a strong trade-and-environment dimension. Another Member highlighted that its existing proposal on environmental goods was still on the table and it hoped that this part of the work of the CTESS could be resumed. Several delegations recalled their work on eliminating tariffs on environmental goods in the context of the EGA and that it was still a priority for them. A few Members also pointed to the good work already undertaken to pursue cooperation between WTO and MEA secretariats under paragraph 31 (ii) of the mandate and that this together with paragraph 31(i) might provide a framework for discussions but no specific details were given. In any case, all delegations with whom I met agreed that environment should not be forgotten if Doha mandates are recalled, as it was in Nairobi, in any ministerial declaration that might emerge from Buenos Aires.

Regarding the CTESS three-pronged mandate, I perceived interest from delegations in refreshing our collective memory about the valuable work on our mandate that has taken place over the years. These negotiations have stretched many years and delegations have naturally changed over this time. I will be giving more thought to the possibility of holding, in due course, a factual information session with the assistance of the Secretariat, and will keep Members fully informed.

As always, I would like to remind delegations that I stand ready to play my part in the work of the CTESS and to assist delegations in any way I can.

6. Committee on Trade and Development – Special Session

The LDC Group and the African Group have been working on the S&D proposals for some time now. They are looking to shorten the list of proposals that they had submitted earlier, and to focus on areas that are critical to them, in particular their quest for industrialization. They are reportedly working towards tabling a formal submission in the coming weeks.

Future steps, including the convening of a formal meeting of the Special Session will depend on the timing of their submission. The Chairperson plans to convene a formal meeting of the Special

Session as soon as a submission is received. This will provide an opportunity to the proponents to formally introduce their proposals.

The Chair's objective continues to be to work towards a constructive engagement that leads to tangible deliverables at MC11.

7. Council for TRIPS – Special Session

Since my last report to this meeting in September, and the issuance of my last written report TN/IP/24 on 8 December last year, the situation in the TRIPS Special Session has not advanced. The traditional differences on the substance and the scope of the negotiations continue to dominate the habitual exchanges between the two groups, and delegations on both sides show no appetite to engage in substantive work in the TRIPS Special Session in the context of the overall negotiating landscape.

While the traditional demandeurs, supporting document TN/C/W/52, continue to emphasize the importance of the TRIPS negotiations and the role of the TRIPS Special Session, they still consider the current context as unfavourable to engagement in this area. Earlier indications of plans to reinvigorate the discussion in this forum have so far not developed into concrete initiatives.

The delegations supporting the Joint Proposal mostly consider that, due to the divergence of views on the extent of the mandate, there was little likelihood for a realistic outcome in this area, and they were therefore not in favour of intensifying work in the TRIPS Special Session. While they are therefore not likely to take the initiative in this forum, some have nevertheless signalled to be open to discussions within the negotiating mandate.

In view of the apparent reluctance of Members to engage in this area, I have mostly adopted a "listening mode" approach, and have kept in close informal contact with the most active delegations, without holding full meetings of the TRIPS Special Session. Depending on developments, I am considering calling a meeting before the summer break for an exchange of views on the prospects in this negotiating group, and to begin preparing for MC11.

In the meantime I am keeping my ear to the ground for any concretization of new initiatives – and remain ready and available for delegations to facilitate their work and progress in the TRIPS Special Session.

8. Dispute Settlement Body – Special Session

I am in the process of planning upcoming work in the DSU negotiations. The next phase of work will follow the approach taken by my predecessor, Ambassador Karau. This involves going through each of the 12 issues in the negotiations sequentially, with the goal of finding convergence and preparing possible textual outcomes for Members' subsequent consideration at the political level.

The negotiating group will resume work next week by discussing the issue of strictly confidential information (SCI). I am still in the process of considering the schedule of work for the weeks ahead and which issues will be considered after SCI.

My tentative intention is to conduct a stock-taking exercise either just before or after the summer break with a view to assessing with Members whether a possible outcome on one or more issues could be prepared for MC11.

ANNEX 2**STATEMENTS BY MEMBERS IN RELATION TO THE INFORMAL HEADS OF DELEGATION MEETING HELD ON 8 MAY 2017**

Following the Director-General's statement at the above-mentioned meeting, the statements made by Cambodia (LDCs); Rwanda (African Group); Guyana (ACP); Nepal; Philippines (ASEAN); India; Costa Rica (FEDS – Friends of E-Commerce for Development); Japan; Ecuador; China; New Zealand; Cuba; European Union; Plurinational State of Bolivia; Montenegro; Chile; Uganda; Brazil; Republic of Korea; Mexico; Russian Federation; Hong Kong, China; Pakistan; Switzerland; Indonesia (G-33); Mali (C-4); Bangladesh; Bolivarian Republic of Venezuela; Zimbabwe; Solomon Islands; Tunisia; Paraguay; Fiji; South Africa; Morocco; United States; Cameroon; Colombia; Uruguay; Canada; Norway; Nigeria; Kingdom of Saudi Arabia (Arab Group); and, Kenya are included below as part of the Minutes of the General Council meeting.

1. Cambodia (LDCs)

We would like to urge all Members to prioritize all LDC issues in our current negotiations and in our regular work. This is particularly important as we prepare for MC11 in Buenos Aires, Argentina.

In the road to MC11, we only have about 7 months to go. LDCs need to obtain concrete measures to allow us to better integrate into the multilateral trading system in accordance with our LDC status and for us to benefit from our participation in the WTO to help our people who are living under capacity and experiencing developmental difficulties. Therefore, the group calls on Members to do their best to respond to the LDC priorities and concerns in the negotiations. Many of our priorities are well-known to the Members following the implementation of decisions taken which have not transpired in our current negotiations. There is no agreement yet in some areas in the negotiations of important issues to LDCs. The group has actively participated by submitting proposals on their priorities.

First, on agriculture, the group submitted proposals last year to the CoA in Special Session. Consideration should be given to the importance of a substantial reduction on domestic support in agriculture applied by Members considering that about 70 to 80% of our people depend on its subsistence and livelihood purposes. For this, LDCs are calling upon Members to ensure that all forms of domestic support subsidies to cotton are substantially reduced until they are totally eliminated. LDCs need results on the issue of domestic support.

Regarding the negotiation on the permanent solution on public stockholding for food security purposes, it is important to take into account the needs of LDCs that do not have public stockholding programmes. The permanent solution to capture both existing and future programmes for LDCs should be taken into account in negotiations to meet the deadline set in Bali for a permanent solution by the Ministerial Conference this year.

Other priorities for LDCs include their capacity for industrialization and success for transformation. These are necessary conditions for development and better integration to the multilateral trading system to benefit all. The LDCs are therefore calling upon Members to provide meaningful and maximum flexibility in accordance with paragraph 44 of the Doha Ministerial Declaration in the context of the CTD in Special Session.

The LDC Group together with the G-90 attempted to achieve results on the longstanding S&DT proposals submitted earlier. A decision was taken for the LDCs at the Hong Kong Ministerial Conference in 2005 which is about to expire but has not been implemented. A proposal from the G-90 will be submitted to Members as mentioned earlier. We urge Members to take a meaningful approach by responding with contributions on how to agree on our proposal rather than to ignore or reject them.

The LDC group is also expecting results at MC11 on fisheries subsidies. We submitted an elements proposal last year which received welcomed responses and questions. The LDC group has engaged

in the Negotiating Group on Rules to respond to the questions and to give clarifications on the proposal. The LDCs want sustainable fishing and the possibility to develop our fishing capacity including through subsidies that do not contribute to overfishing or to the depletion of the stock. But first, we must prohibit those subsidies that are contributing to illegal, unreported and unregulated fishing and to overfished conditions. In addition, we must discipline subsidies contributing to overcapacity and overfishing.

Regarding the LDC implementation of the decisions on DFQF market access, rules of origin and notification on services waiver, they still have not yet generated concrete results for our constituencies. The group thanked Members for the adoption of the template for notification for preferential rules of origin and of the acceptance deadline for notification by 30 June 2017. We ask Members to redouble their efforts so that the positive outcomes for LDCs in Hong Kong, Bali and Nairobi are implemented. On DFQF, we strongly urge Members not to detract from the 2005 Hong Kong Decision and the 2013 Bali Decision. We wish Members to reconsider to agree on the element we introduced in our submission for a clinical examination on DFQF. We want Members to tell us about their concerns on the said study and we are ready to revive the study accordingly.

On EIF, we call upon Members to fulfil their commitments made in Nairobi in terms of contributions to EIF Phase II. We urge Members who have not yet contributed and are in the position to do so to come forward to enable Phase II to be a robust mechanism to support LDCs in the trading system.

The WTO cannot also forget the problem of the accession of new LDC Members to the WTO for whom their integration to the institution and to the multilateral trading system should be easier and quicker. In that aspect, the candidate country should be able to benefit from adequate technical assistance and capacity building support.

On the issue of e-commerce for which discussions are ongoing, the LDCs are concerned by the question on how e-commerce can be beneficial in our process of industrialization and structural transformation. The ongoing discussion should remain within the framework of the 1998 work programme. Since 1998, the digital divide remains enormous. We are shocked with the challenges for LDCs particularly in light of the lack of necessary infrastructure. A contribution from the LDC group as part of the work programme is being elaborated to present its view and concerns.

We hope that MC11 will provide an opportunity for us to achieve concrete implementable results for the LDCs and their development process. We are ready to work with you to obtain a successful outcome in Buenos Aires.

2. Rwanda (African Group)

We wish to recall the African Group's key position and reaffirm the importance of development across all negotiating mandates, objectives and principles as rooted in the Doha Development Agenda (DDA), and our commitment to it.

You will recall that the Doha Development Agenda was launched with the promise to help developing countries integrate into the global economy, in part by correcting the systemic imbalances in agricultural subsidies that remain among the most seriously trade-distorting policies. Bearing in mind that Agriculture employs a high proportion of our populations in all African countries, the historical imbalances in this sector continues to undermine Africa's economic gains. Therefore, Agriculture continues to be our main economic priority and as pronounced by the African Ministers of Trade, "agriculture remains central to Africa's agenda at the WTO, and will be the determinant of the level of ambition in the negotiations".

From our perspective, the degree of movement, and the level of ambition in Agriculture shall: determine and set the balance in the overall negotiations and in any outcome as we move towards MC11. In this regard, it is essential that the following elements are addressed for a favorable and balanced outcome in Buenos Aires:

Agriculture

There is need for a clear approach that will ensure that developed countries eliminate trade distorting subsidies; while addressing Cotton ambitiously, expeditiously and specifically; a Permanent Solution on Public Stockholding for Food Security Purposes; and a Special Safeguard

Mechanism (SSM) that will enable our countries to protect our agriculture sector from import surges.

Fisheries Subsidies

We reiterate our call for a multilateral outcome with provisions for elimination of subsidies to IUU fishing activities, as well as disciplines on subsidies that contribute to overfishing and overcapacity, while taking into account the legitimate interests and rights of developing countries.

Development

The African Ministers of Trade have been explicit on this issue in their last Declaration. Our Ministers reaffirmed that S&DT "shall be an integral part of all WTO Agreements and future multilateral outcomes and shall be embodied, as appropriate, in schedules of concessions and commitments and in the rules and disciplines, so as to be operationally effective and to enable developing countries, in particular LDCs, to effectively address their development needs in line with Africa's industrial development priorities as encapsulated in the Agenda 2063 on structural transformation and industrialization ". It is in this regard, that we shall be pursuing outcomes on Special and Differential Treatment in line with paragraph 44 of the Doha Ministerial Declaration with the view to strengthening them and making them precise, effective and operational with the purpose of supporting our industrialization objectives.

With respect to the broader discussion on domestic regulations disciplines, we consider current proposals as an attempt to narrow the policy space of many developing countries to address broader domestic economic imperatives. Given that most African countries are still developing their institutions and regulations, impinging on our right to regulate is not conducive to the development of African economies. It was precisely for this reason, that our Ministers of Trade instructed that "any outcome on GATS Article VI.4 disciplines shall not involve the implementation of new and/or onerous administrative requirements or requirements that intrude into the domestic policy-making processes".

We also have systemic concerns about proposals being introduced without any mandate. On such matters, the African Group strongly believes that paragraph 34 of the Nairobi Ministerial Declaration shall prevail.

Process

The African Group reiterates the importance of upholding the principles of inclusiveness and transparency in the run up to, as well as during the Eleventh Ministerial Conference. The African group remains constructively committed to work with you and other Members to reach a positive outcome in Buenos Aires.

3. Guyana (ACP)

Last Friday, the handover of the Coordinatorship of the ACP Group in Geneva was formalised and I would like to publicly recognise here the sterling contribution of the Government of Rwanda as the outgoing Coordinator of the ACP Group. Guyana as the new official Coordinator is delivering this statement on behalf of the ACP Group.

The WTO is at a critical point as we prepare ourselves to join our Ministers in Buenos Aires this year. The ACP Group attaches great importance to achieving outcomes for MC11 on key remaining DDA issues for developing countries. We should not falter in picking up the momentum the WTO captured in Bali and Nairobi. In that regard, we must resolve to deliver a truly development outcome at MC11.

Areas of importance to the ACP for MC11 are essentially unfinished business from Nairobi. I will speak specifically on these areas:

Fisheries Subsidies

The ACP Group led in proposals for Nairobi to discipline fisheries subsidies that cause overcapacity and overfishing. ACP approaches achieved consensus within its group and among other WTO

Members. Last year we submitted a new proposal of principles and elements that we think will better address concerns of many developing countries. Specifically we take an approach that for all WTO Members subsidies to IUU fishing and fishing of overfished stocks should be prohibited in a decision at MC11. We also supported a scope that as a priority disciplines large scale industrial fishing benefitting from subsidies leading to overcapacity and overfishing. On both counts, we must take into account the legitimate interests and rights of developing countries.

Indeed, with respect to unreported and unregulated fishing, many of our Members will require special technical assistance and capacity building as in some cases, the situation may involve a lack of capacity to implement reporting and regulatory mechanisms. In addition, for subsidies contributing to overcapacity and overfishing, we propose that subsidies to domestic fishing, artisanal, subsistence and small-scale fishing in their own EEZ be excluded from disciplines.

In light of SDG 14.6, the ACP Group attaches a high priority to obtaining a multilateral outcome in Buenos Aires without any linkages to other negotiating areas.

To do our part, we are currently finalising a revision of our 2016 elements document to take into account internal discussions and those with other WTO Members, with a view toward consolidating our position further. We expect that we will be able to make this available for wider circulation in the coming weeks. In tandem, we are working on a text proposal based on the revised elements paper.

Agriculture

The ACP Group also took the initiative in 2015 before Nairobi to offer possible bridging ideas to overcome the impasse and meet the objective of substantial reductions in agriculture domestic support. These ideas were contained in JOB/TNC/50.

Following on the building block success at MC10 on export subsidies, we hope that an outcome on trade distorting domestic supports can be achieved at MC11. This is important for many ACP States whose exports are impacted by such subsidies, in particular for Net Food Importing Countries).

Committed to the process and resolved that we should continue to assist the debate and the progress, the ACP Group submitted a proposal at the end of last year.

We hope that we can further discuss this proposal in consultations with the new Chair of the CoA-SS and other Members. Nevertheless, we are actively considering other ideas that might help bridge differences further.

Cotton

The ACP Group insists that an agreement is reached at MC11. If the major players are able to resolve differences by Buenos Aires on both market access and domestic support, we also register that ACP States would benefit from an SSM and SP.

Public Stockholding

We have support on the objective of fulfilling the Bali decision mandating agreement on a permanent solution by 2017. The ACP Group also registers the necessity for an accessible and effective Special Safeguard Mechanism (SSM) which enables its members to protect their agriculture sector from import surges).

Special and Differential Treatment

The ACP Group worked closely with the G90 to find a package deal on the outstanding agreement on specific proposals.

This pillar is a core remaining DDA issue and is a priority for G90. The proposals on SDT were placed on the table in the DDA since 2001 by our members. Yet decision on these, even incrementally, continues to be devoid of any support from developed countries.

It is a high priority for our Members to work toward a consensus on this signature "development" aspect of the DDA.

The G90 is currently deliberating on what happened in Nairobi on these proposals and discussing a draft based on a moderated, selected and integrated set of proposals. The proposals are based on the CTD-SS chair's draft and the G90 additions in Nairobi.

Services

With regard to services, we note that there has been active discussion in the Working Party on Domestic Regulations in negotiations under GATS Article VI.4. Papers have been tabled by various Members.

The ACP Group is still in the process of examining the papers both here in Geneva and in capitals and will revert on these as necessary.

We appreciate that these papers are textual in nature and in light of our capacity constraints as developing countries and LDCs; it will take some time for us to assess them. We will therefore echo the need for adequate time to examine any proposals tabled. We hope the proposals in this area do not put additional onerous burdens on our members.

The ACP Group has stated in past submissions that the architecture of the GATS negotiations must be maintained, in particular the flexibilities for developing countries to schedule commitments in a positive list methodology, and that the development aspect of services negotiations must include sectors and modes of interest to developing countries. The ACP Group identified priority sectors annexed to its submission in March 2015.

The ACP Group has also said in the past, if the negotiations on this issue are to move forward, we would require a meaningful application of the principle of development and special and differential treatment remains central to any outcome on domestic regulation.

ACP Members have placed particular importance on the necessity for a robust development section including upgrading past proposals to include but not limited to the principle of self-designation of transition periods and implementation on acquisition of capacity for developing countries found in the Trade Facilitation Agreement.

Also central to the delivery on the development component in domestic regulations negotiations, the Group has emphasized our offensive interests in the elimination or reduction of restrictions in qualification requirements and procedures; and licensing requirements and procedures, in favour of developing countries and LDCs. These requirements have become barriers or obstacles to market access of our services suppliers under Mode 4.

E-Commerce

We note that this is a non-DDA issue and should not replace the priority Ministers gave to remaining DDA issues. The electronic commerce work programme together with the moratorium on the imposition of customs duties on electronic transmissions are treated under Regular Work of the WTO based on separate Ministerial mandate and a separate decision taken in Nairobi. This mandate is renewed every two years.

Clearly the time limited mandate for the moratorium and work programme will be presented to Ministers for renewal at MC11.

We take note of the wave of interest and information on electronic commerce and believe that Members should continue to engage constructively in the work programme across the four designated bodies for the work programme and in the General Council for cross cutting issues. An opportunity is presented in the WTO to clarify what aspects of the world of digital trade, or electronic commerce belongs in the WTO domain and what does not.

Our communities are active in the electronic commerce platform with or without deliberations in the WTO.

Most Members of the ACP Group strongly believe that there is much more work to be done on the development component under the current mandate of the Work Programme on Electronic Commerce.

We close our remarks today with an appeal that all WTO Members place key proposals from developing countries, linked to the level of ambition for developing countries as a priority for the deliverables at MC11. We did our part to ensure that Bali and Nairobi Ministerials were a success. On the road to Bali, it was said that we must strive for a deal on TFA as this would break the menagerie that the WTO could not deliver a multilateral agreement from the DDA.

As developing countries were told that the path would be cleared to then agree on proposals that were put on the table by our Members as priorities we have set, agendas that we have set rather than simply a participant in agendas set by others that happen to benefit us.

Differences among the elephants in the room should be put aside to achieve a true development outcome in Buenos Aires, one that all developing countries that have been struggling to integrate into the multilateral trading system can relate to and sell to their constituencies, and would do no harm to the positions of other Members.

The ACP Group is working actively on proposals related to fisheries subsidies, on agriculture, on SDT and services. The ACP Group will continue to do its part to work with you towards a successful Eleventh Ministerial Conference.

4. Nepal

The delegation of Nepal associates itself with the statement delivered by Cambodia on behalf of the LDC Group.

Recent economic outlook clarifies that the LDC's share of world exports dropped to below 1% because of continuous commodity trap, low value addition, fragile productive and supply side capacity, vulnerability to external shocks and the problems associated with market access.

We, therefore, emphasize that development dimension, and particularly S&DT, should be at the center of the multilateral trade negotiations to ensure a fair, inclusive and equitable global trading system that serves the interest of LDCs. We want to see that there is an effective implementation of all LDC-related decisions reached in Hong Kong, Bali and Nairobi by overcoming known and potential hurdles.

To address continued marginalization of most of the LDCs, we expect substantial outputs in Buenos Aires under the DDA. Moreover, closer attention to the provisions of para 24, 31 and 32 of Nairobi declaration is essential to move ahead with a balanced approach without hurting the LDCs trade. We strongly emphasize that the LDCs should be exempted from adopting any new rules and making further commitments.

A breakthrough is desirable in the S&DT in order to achieve industrialization, structural transformation, economic diversification, technological upgrading and productive capacity-building of the LDCs. Locked into the production of primary commodities or low-value-added products, we suffer from low performance in trade and low integration into the global value chains.

We are of the view that the non-Doha issues such as e-commerce, MSMEs, Trade Facilitation and Domestic Regulation in Services, Investment Facilitation and the like are futuristic agenda. Discussions on these new issues must take place within the framework of the existing mandates with focus on an inclusive, balanced, and multilateral approach. Any decisions on these new agenda should be consensus based. Concerted efforts should be made to bridge existing gaps among the Members, create a level playing field, and in getting prepared to move into new agenda.

Needless to mention, the LDCs are the battleground for achieving global commitments including the 2030 agenda for sustainable development and Istanbul Programme of Action (IPOA). Greater policy space and meaningful global partnership plays a vital role in this respect.

The implementation of the category C measures under the TFA is a fundamental aspect for the effective implementation of the agreement. To this end, we request all donor Members to provide information, according to Article 22.1 of the TFA.

Despite uncertain global environment, we should be able to deliver at the Buenos Aires, upholding the ethos of enlightened multilateralism. As time is running short, there is a need to redouble efforts to secure a balanced and meaningful outcome from MC11.

5. Philippines (ASEAN)

With the 11th Ministerial Conference set to take place approximately seven months from today, ASEAN takes note of the work that has been undertaken in formal WTO Committees and Negotiating Groups, as well as in informal consultations and workshops, with the view to achieving meaningful outcomes at Buenos Aires in December.

ASEAN welcomes the proposals that have been tabled by Members on various remaining DDA issues, such as agriculture and fisheries subsidies, as well as proposals relating to domestic regulation as mandated under Article VI:4 of the GATS. Similarly, ASEAN takes note of the exploratory discussions on electronic commerce and MSMEs that have gained traction in the past few months.

ASEAN is now at the stage of implementing the ASEAN Economic Community (AEC) Blueprint 2025. Under the third pillar "Equitable Economic Development," the development of micro, small and medium enterprises (MSMEs) is highlighted where the progress of MSMEs is key towards narrowing the development gap. In this context, we express openness in working together with Members to identify ways to achieve an outcome in this area in the WTO.

The AEC Blueprint¹ also directs work on e-commerce within ASEAN, including the laying of the policy and legal infrastructure for e-commerce to enable online trade in goods within ASEAN through the implementation of the e-ASEAN Framework Agreement and based on common reference frameworks. ASEAN has also been making an effort to broaden our, and also Members' understanding of e-commerce issues, including how they intersect with MSMEs. To this end, ASEAN organized a lunch panel on the 27th of April during the UNCTAD E-Commerce Week on e-commerce trade rules and MSMEs in developing countries. We will be sharing our reflections from the lunch panel with Members in due course.

ASEAN reaffirms its commitment to engage constructively in all areas of WTO work in order to achieve concrete outcomes that are agreeable and beneficial to all Members, particularly the Least-Developed Countries (LDCs). ASEAN places great importance on the inclusive, rules-based multilateral trading system, with the development dimension at its core.

6. India

My delegation associates itself with the statement by Indonesia as co-ordinator of the G-33.

Members may kindly recall that in the last meeting of the HoDs my delegation had raised some very important issues and challenges facing this organization both on process as well as on substance. We believe that those issues still remain valid and we need to keep reminding ourselves of them as we move ahead towards MC11.

The pressure to deliver outcomes at MC11 continues to persist. Papers and proposals by members are being put forward in various fora. Most of these seem to address issues other than those on which mandates already exist and which have not yet been implemented. A number of these papers constitute the so-called 'new issues' or 'other issues' mentioned in the Nairobi Ministerial Declaration. Needless to recall para. 34 of the Declaration which states that work where results have not yet been achieved should be prioritized. It notes simultaneously that while some members wish to identify and discuss 'other issues', others do not. This indicates clearly, that there is no consensus on the identification and discussion of these so-called 'other issues'. It is, therefore, problematic that the outcomes or package sought to be taken forward for MC11 seem overwhelmingly to be constituted of these issues. These issues like e-commerce, MSMEs and

¹ AEC Blueprint B6, paragraph 59 (page 23).

investment, we believe firmly, are highly premature for rule-making as the membership first needs to deal with the gateway issue of the extent to which these subjects actually lie within the domain of the WTO.

Secondly, their far reaching, long-term implications are not clearly understood. In our view, the common theme running through most of the papers on the table, in almost all areas is to do with constraining policy space of developing members. It is true that some co-proponents are in fact developing members. Their objectives, intent and perceived benefits for seeking discussions on these issues in the WTO are perplexing and at this stage throw no light in tangible terms on what benefits would accrue to developing countries. This is a cause of concern for us. Let's not forget that the WTO is not a forum merely for discussion. It is indeed the pre-eminent global forum for trade rules setting and governance. Hence, what is seriously problematic for us is the fact that the kind of policy space used by major members to reach a level of development and market dominance in some of these areas is sought to be constrained or even denied in many ways to those members that are still on that path to development.

Thirdly, as we discuss and debate various papers, it is more than obvious that there is major divergence on mandates. A large part of the membership still looks up to the Doha mandate. In the absence of an alternative framework or mandate which is generally accepted, stand-alone issues and papers do not provide the requisite sense of balance and give-and-take which is a central element of negotiations in this House. Addressing existing mandates is one thing but introducing new dimensions and issues which do not even have consensus amounts to raising expectations which, we believe, is contrary to the prevailing mood among the membership.

Given the current global environment, arriving at an answer to the question 'trade for whose benefit' is absolutely crucial. This question has consistently been raised in India since the Uruguay Round and also seems to have taken centre stage in many other major economies of the world today. People are questioning the inclusiveness aspect of free trade, its impact on domestic policy space, employment, income distribution, etc. We believe that we need to address this question frontally while not limiting ourselves to the very short-term objective of seeking outcomes for the next Ministerial. The relevance of this institution is not confined to producing outcomes at every Ministerial. Its relevance also needs to be tested by taking stock of the manner in which it has performed and its rules have affected the lives of people in different situations. For instance we could look at institutional matters like reorganizing and reviewing the regular and negotiating structures of the organization orienting them towards the priorities of the wider membership. Another area which could be looked at closely is austerity and cost cutting measures at a time when several members are facing budgetary and resource constraints. This Ministerial could well take stock of all these very important question marks being raised on this institution and arrive at a possible conclusion of its relevance, inclusiveness and centrality in the global economic architecture. In our view, a Ministerial declaration by consensus putting inter alia the question marks to rest could also be a substantive Ministerial outcome.

On the specific issues, we reiterate the primacy of the development dimension and priority to the unfinished work from Bali and Nairobi. Needless to say that these issues have gone through long years of discussion and are definitely not in that sense, in the same category as some of the issues being floated currently. There is need for constructive engagement on public stockholding and SSM as these instruments seek to level the playing field and affect millions and millions of people who would otherwise end up suffering because of the iniquitous trade rules rather than benefitting from trade. Public stockholding has a mandated deadline of 2017 and we reiterate that this will be a major issue in MC11. On e-commerce, our position has been very clear and consistent. The mandate is exploratory and we will not support any discussion on rule making. India has introduced a paper on trade facilitation in services. We have carefully heard the membership in various formats and are open to considering the timing and manner of taking the matter forward. We believe that the proponents of domestic regulation should also be open to looking at their proposals similarly. We consider discussion on investment and MSMEs as completely outside the purview of the WTO.

In conclusion, we would reiterate that it would be dangerous to project consensus or a critical mass on a set of issues which actually does not exist. It would risk deepening the divide further in case undue importance is given to the so-called 'new issues' at the cost of relegating to the background consensus decisions on subjects on which substantive work has been done over the last many many years. We would, therefore, urge caution in the way we are attempting to

approach MC11 in order to avoid failure causing questions to be raised on the credibility of this institution and the multilateral trading system in general.

Finally, let me re-assure you that India remains strongly committed to the multilateral trading system and to constructively engaging in discussions within the WTO.

7. Costa Rica (FEDs – Friends of E-Commerce for Development)

The Friends of E-Commerce for Development (FED) is a non-negotiating group of members, with different levels of development and with a common understanding of the positive impact of E-Commerce and its versatility to create sustainable economic opportunities for all. We have come together to build an inclusive and open space for discussion on E-Commerce seen from its development dimension. As such, we view it as an instrument that can help bring together the digital, development and trade agendas, as a tool to narrow existing gaps in such areas, facilitating sustainable and economic growth for all developing members.

In the spirit of creating awareness and engaging in an open conversation, the FEDs organized their first Ministerial meeting on April 25th within the framework of UNCTAD's E-Commerce Week. We were honored with the attendance of the Minister of Foreign Affairs of Argentina, H.E. Susana Malcorra; the Federal Minister of Industry, Trade and Investment of Nigeria, H.E. Dr. Okechukwu Enelamah; the Minister of Commerce of Pakistan, H.E. Khurram Dastgir Khan; the Minister of ICT of Pakistan, H.E. Anhusa Rahman; and the Minister of Foreign Trade of Costa Rica, H.E. Alexander Mora. We were also honored with the participation of non-FED members, such as the Minister of Economic Affairs of Cambodia, the Minister of Trade of the Democratic Republic of Congo, the Vice Minister of Commerce of Thailand, and the Minister for Economic Affairs of Bhutan. FED Permanent Representatives to the WTO from Mexico, Sri Lanka, Chile, Uruguay and Colombia participated representing their capitals confirming the overall outlook the group embodies.

During this first meeting, the high-level government officials had the opportunity to share and listen to the different perspectives of fellow developing members, their interests, concerns and also successful and encouraging stories. This laid important footing for our current efforts preparing the field for - what we foresee - could be the future of the conversation regarding E-Commerce.

With this drive, FEDs Ministers put forward a roadmap built upon the policy areas identified by UNCTAD's E-Trade for All Initiative, that recognizes seven key topics as the foundation for sustainable and inclusive economic development and that will pave the way for the conversation in Geneva, particularly towards the WTO's 11th Ministerial Conference in Buenos Aires.

These seven key areas are:

1. e-commerce readiness;
2. access to ICT infrastructure and services;
3. trade logistics and trade facilitation;
4. e-payment solutions;
5. legal certainty and regulatory frameworks;
6. capacity building and technical assistance; and
7. access to financing.

We are convinced that this Ministerial Meeting was the tipping point for the discussions related to E-Commerce here in town. It is now more important than ever to support the momentum the discussion has reached, because we can accomplish real, concrete solutions for the hindrances that affect developing and least developed members if we can continue engaging with each other.

We have already gained terrain by facilitating trade for developing members, MSMEs in particular, with the Trade Facilitation Agreement. Therefore, we must build on top of our past success and ensure we overcome other challenges that developing MSMEs still face through digital technologies, which are the most effective means to narrow the development gap.

The Friends of E-Commerce for Development will continue moving forward facilitating spaces for all interested stakeholders. Over the last few months, it has been tangible how trust has been built in Geneva around E-Commerce. More than a thousand participants attending E-Commerce Week's

events are a testament to the willingness to engage from public and private sector, developing and developed economies and most importantly LDCs, who are the ones who can win the most out of this initiative. To continue growing in this direction, we must carry on promoting engagement among the WTO membership. You can count on the FEDs to work hard on these endeavors, as we walk along the path towards Buenos Aires with renewed strength and optimism.

8. Costa Rica

Costa Rica has been an active Member of the multilateral trading system ever since the foundation of the WTO and previously within the GATT. As many other developing Members, we seize the opportunities and experience the challenges generated by a globalized economy. We have been able to adapt to the changing economic landscape transforming into an economy that is gradually moving towards Services. All the same, the agriculture and industrial sectors maintain a prominent role and 95% of our productive enterprises are MSMEs. More than half of these MSMEs are located in the agriculture, trade or industry sectors, and that makes it even more important for us to develop policies that can ensure their maturity and permanence within the productive ecosystem.

Ten months ago, in line with its constructive orientation to build spaces for consensus from relevant topics, Costa Rica embarked on a journey, along with nine other members, aimed at preparing the field for the discussion of the development dimension of E-Commerce here in Geneva. For all developing and least developed members, e-commerce offers something that can adjust to our realities and needs and help us leap into the digital economy. Over the past few weeks we have seen the conversation gain a new impulse. UNCTADs E-Commerce Week set the tone for our discussions for the following months, and as we approach the Ministerial Conference in Buenos Aires, this momentum reminds us that we must redouble our efforts and start moving from conversations to concrete actions and strategies. This is the intention behind the roadmap put forward by the Friends of E-Commerce for Development. Costa Rica believes this roadmap can serve as an instrument for policy-making that supports entrepreneurship and leads the way for MSMEs to be competitive and improve their productivity. Costa Rica, as a member of the Friends of E-Commerce for Development wishes to invite other members to read the roadmap and join the group to enrich our discussions with your opinions.

Expectations for MC11 in Buenos Aires remain high and our task is to level up our ambition in accordance with these expectations: the WTO must continue advancing on the successes at MC9 and MC10 and design an agenda for this XXI Century. Costa Rica expects, as part of this renovated agenda, results on issues like fishery subsidies, domestic regulation on services and trade and climate action.

Buenos Aires will be, for all practical purposes, the first Ministerial Conference since the Sustainable Development Goals are in place. For the next 10 or 12 years, the SDGs give us a clear sense of purpose and direction, as members of the multilateral system, to get some fundamental things done. As we move towards Buenos Aires, every effort we make and every discussion we have must be harnessed to the SDGs to ensure that we are moving in the right direction. Precisely because of that, at MC11 we all must do our share, put our leadership to service and our character to the test in order to paddle through the rough waters ahead. The higher our level of ambition, the greater the challenge and the bigger the effort that leaders will make.

9. Japan

The multilateral trading system continues to face great uncertainty. Collectively, we need to show that the system is working and addressing challenges by making trade more inclusive; that means, ensuring that all the stakeholders, including LDCs and MSMEs, can reap and feel the benefits of trade.

Since the last HoDs meeting, many proposals have been put forward and active discussions are taking place on the agenda for MC11, in view of achieving concrete results in December. MC11 is in fact an important milestone, but it is not the ultimate end goal. This incremental thinking applies not only to the timeframe but also to the modalities of outcomes: when a binding solution is premature, we start by sharing a common understanding; if multilateral agreement is not possible, we may use the plurilateral format, which is already provided for in WTO agreements.

With that flexible thinking in mind, Japan will continue to be engaged in the entire negotiating agenda, including on agriculture. Here, I will just briefly mention some issues in which we have a particular interest.

E-Commerce

Although Japan recognizes the utility in handling less controversial elements first, such as e-signatures or logistics, we should not avoid the discussions on more fundamental issues like free flow of data. Japan will seek a common understanding on such basic and important principles.

Domestic Regulation in Services

Now that almost all the elements are on the table, we can discuss this issue as a whole, while also taking into account the TFA approach in relation to development element.

Fisheries Subsidies

Japan welcomes the various proposals including the new comprehensive one from New Zealand. We look forward to fact-based discussions that give due consideration to resource management.

Investment

We believe that having discussions on investment at the WTO is relevant. Japan will engage in discussions on the proposals on investment facilitation.

Transparency

Improving transparency is imperative for facilitating trade, and Japan is engaged in discussions among the Membership on means of promoting enhanced transparency, which will be most beneficial to MSMEs.

As pointed out in the previous HoDs meeting, many of the issues I have just mentioned have in common "trade-facilitating" elements, which contribute to realizing inclusive trade. I believe it is worth considering making "facilitating trade" one of the key concepts in our positive narrative of MC11.

Finally, I would add that it is not yet the time to discuss balance. We should continue in-depth and proponent-driven discussions until the summer. After that we should figure out the specific modality of each outcome based on the maturity of each topic, and at the same time we will need to try to come up with the overall picture of the outcome at MC11. With these points in mind, Japan will make every effort to further contribute to the negotiating process.

10. Ecuador

Ecuador welcomes the consensus reached in April which appointed the chairs of the negotiating bodies and regular bodies and hopes that the process to appoint the remaining chairs of the bodies of the Goods and Services Councils is brought to a successful conclusion, so that we may focus our efforts on the work that must be undertaken in the near future to achieve positive and concrete results at the upcoming Ministerial Conference to be held in Buenos Aires and thus contribute to the smooth functioning of this Organization.

I will not refer to our position on specific issues, as it is known and can be found in the minutes of previous meetings. I will therefore limit myself to recalling the mandates that we, as Members, have adopted and believe must be fulfilled without delay in order to ensure the reliability of the system, with its legal order and the necessary legal certainty that Members demand for their submission to that order.

Ecuador reiterates that for the architecture of this order to be credible, we must encourage the negotiations so that the remaining Doha Work Programme issues continue to be developed, giving priority to the development dimension and special and differential treatment, which are fundamental principles of this House, the World Trade Organization. We firmly believe in the mandates contained in paragraphs 31 and 32 of the Nairobi Declaration, on which this

Organization's future work should be based, so that any progress on new issues, including e-commerce, are based on the assumption that adopted mandates and rules must be truly and effectively observed. We therefore invite Members to consider a formula which enables Ministerial Conference decisions and, when the Conference is in recess, Council decisions to have lives of their own and to be applied and in effect when they are established, without having to subsequently enter into complex implementations which simply make these decisions useless when, if implemented, such decisions would result in the express and tacit development and even reform of the authoritative instruments and declarations that regulate the WTO's activities.

In that connection, I must remind Members that the mandate approved in Nairobi was very clear, and despite mentioning that some Members do not reaffirm the Doha mandates, as they believe new approaches are necessary to achieve meaningful outcomes in multilateral negotiations, it confirmed the commitment of all Members to advance negotiations on the remaining Doha issues, placing development at the centre of this work and reaffirming that provisions for special and differential treatment shall remain integral for the benefit of the developing and least developed countries.

An existing mandate, adopted by the Membership, cannot remain unfulfilled, nor can it be amended without an express agreement to that effect. Therefore, the Doha Work Programme, which places "development" at the centre of our concerns, continues to be in full effect, as it is – and I insist – a valid agreement that was undertaken by the Membership at a Ministerial Conference, the supreme governing body of this House.

We must work on this, and once we have reached agreements that satisfy all, we will be ready to begin negotiations on other issues, on which we must first establish a mandate that does not create confusion among Members. In other words, fulfilment of the Doha Round must be our priority in this process so that we do things in the right order.

Ecuador has also stated that it is not against discussing and learning about the progress and new advances that have been made in various areas, such as – and I repeat – e-commerce. To the contrary, we are a developing country that needs such progress, but in light of our position on previous mandates, we believe that we should first address and resolve the remaining issues.

We have noted that one of the agenda items to be discussed at the General Council meeting of 10 May 2017 refers to trade facilitation and investments. We reiterate once again that Ecuador is not opposed to discussing new issues, as long as this does not lead to negotiations, as there is no mandate for negotiations on agriculture. Any new negotiations would have to be preceded by a mandate and the fulfilment of the previous mandates.

Lastly, you may count on our support in the search for consensuses that are satisfactory to all Members.

11. China

I will not elaborate on every issue today, as China's position is quite clear and remains unchanged. I will briefly touch upon the status quo area of rules negotiations as well as investment facilitation.

In light of the operation of WTO rules and trade remedies, we believe it is necessary to clarify and to improve the existing rules. Hence, China submitted a proposal on trade remedies, which has 5 elements such as transparency and due process.

We welcome constructive comments from Members, and would analyse and evaluate them in an honest manner. As for fisheries subsidies, China knows the submission co-sponsored by New Zealand and some other members. We welcome the proposal and we believe fishery is very important to people's life. For example, as Ambassador Shah (Pakistan) said just now, it has strong trade and environmental dimension. However, in this regard, we have certain concerns of issues like the definition, fisheries management, evaluation of the fishery resources and etc. We assume those issues may exceed the functions of the WTO, and are beyond our professional knowledge and experience. As Confucius said, do not pretend to know, what you don't know. As such, it is advisable for members to take a pragmatic attitude and have discussions focusing on those issues with a higher level of consensus, for example the regulation of IUU fishing.

Both trade remedies and fishery subsidies are within the framework of rules negotiations. We hope that these two issues will receive equal attention and be pursued in tandem with a view to achieving a balanced meaningful and development-oriented outcome.

Besides the formal negotiation issues, China also supports to start the discussion on investment facilitation within WTO in an informal manner, which will be carried out in the forms of open dialogues and workshops, focusing on information exchange , experience sharing and in in-depth discussions. Such exercise is responding to the call of the international community and to specific demand from the industries, particularly from that of developing countries.

12. New Zealand

New Zealand is strongly committed to the rules-based multilateral trading system which we see creates significant benefits for all Members from the smaller to the larger, which we underestimate at our peril, both individually and collectively.

In terms of the negotiations, New Zealand is encouraged to see increased engagement across a wide cross section of issues. This is a positive development and one to be sustained and supported. Across the board it is important that these issues be progressed on their own merit.

A significant body of Members, including New Zealand and other Cairns Group Members, have identified enhanced disciplines on trade distorting agricultural domestic support as an important deliverable for MC11. This has obvious systemic and development benefits. With the new CoA-SS chair now appointed we look forward to picking up active discussions in this area.

We are also very encouraged by the heightened negotiating activity on fisheries subsidies prohibitions. The Friends of Fish are actively considering how to progress these negotiations to ensure we arrive at an effective MC11 outcome that contributes to implementing SDG Target 14.6. The most recent contribution in this respect is New Zealand's joint proposal with Iceland and Pakistan, which is being considered in the Rules Negotiating Group, and we thank members for their comments on this proposal during this meeting.

New Zealand also looks to MC11 for a commercially meaningful outcome on services. We are pleased with the progress being made in domestic regulation discussions in the WPDR. New Zealand is working with other interested delegations to get texts on the table to progress a possible outcome for MC11, and is cosponsoring proposals on development of measures, technical standards and transparency.

It is also important to create pathways to address 21st issues to ensure that the WTO reflects business reality. In this context, New Zealand commends the fruitful discussions on e-commerce last week at UNCTAD and the numerous papers presented at the WTO, and we look forward to turning the enthusiasm and proposals into ways forward for MC11.

We note the large amount of interest that is being generated on investment facilitation, and MSMEs and look forward to participating in the ongoing dialogue amongst Members to see what might be possible at the WTO. In the area of MSMEs we are focused on work we can do here to foster transparency and reduce red tape, including through trade facilitation and the reduction of unnecessary differences of regulation – addressing NTBs on both services and goods.

13. Cuba

As this is the first time that I am taking the floor as the Ambassador of Cuba to the WTO, please allow me to extend a warm welcome to you, to the Chair of the Council and to all the Members and delegates attending this meeting. It is a pleasure and an honour to represent my country at this Organization in the coming years. I am therefore ready to begin working right away and hope that our delegation will benefit from the same cooperation that it has always enjoyed.

For Cuba, the Doha mandate is still in effect, even though some Members do not share this view, particularly in light of the fact that a proposal for an alternative mandate which we could examine has not been presented. We are therefore firmly committed to prioritizing the outstanding issues on the work programme, many of which have been put on the back burner.

With regard to the issues which have been proposed as possible outcomes in Buenos Aires, the reality is that, at this point, none of the new issues have achieved the necessary consensus. At the same time, there is a very worrisome state of imbalance in the activities of the various bodies.

For example, agriculture has always set the level of ambition in other areas, but at present is stuck in a situation of total uncertainty. In the meantime, successive meetings are held to analyse issues that are not part of Doha and do have the consent of a representative number of developing countries. This imbalance must be rectified. The negotiations on the outstanding Doha Round issues must be our priority in terms of work so that we can try to honour the commitments that we have made.

I will briefly comment on the issues that do not form part of Doha, the discussions of which concern my delegation.

With regard to e-commerce, we reiterate our commitment to the 1998 Work Programme. There remains, no doubt, much to be done in order to fulfil that mandate. We are therefore not in favour of moving forwards in Buenos Aires.

With respect to SMEs, we still have not heard what is the purpose of bringing this issue to this Organization, which still establishes multilateral norms. We do not see how the traditional rules of the WTO could address, for example, the existing differences between SMEs in developing countries and in developed countries.

The protection of multilateralism, the preservation of the development dimension in all areas of work, the principles of transparency and inclusiveness and decision-making by consensus guide, and will continue to guide, Cuba's participation in the WTO.

Therefore, in the process of preparing for the Eleventh Ministerial Conference in Buenos Aires, we reiterate our willingness to continue participating in an active and constructive manner, in accordance with the criteria mentioned above, in order to achieve tangible outcomes on the outstanding Doha Round issues.

Before I conclude, Cuba wishes to associate itself with the statement made by Guyana on behalf of the ACP Group and the statement which Indonesia will make on behalf of the G-33.

14. European Union

We note a recent increase in the level of activities in the preparations of MC11. Seven months ahead of the Ministerial Conference, this is positive. But beyond talk, there is also a need for action. We would therefore welcome to see more concrete proposals on all issues that remain in play and more concrete engagement in terms of finding viable solutions forward,

In that regard, we value very much your contribution, and expect you to continue playing an active, positive and constructive role in the process of bringing Members toward consensus. And we have the same expectation towards the Chair of the General Council and the newly appointed Chairs of the regular and negotiating bodies. The WTO is a Member driven organization but the contribution of the Chairs remains crucial to the success of the negotiations.

Colleagues, the time that separates us from MC11 is short. And at this moment in time, none of the issues that we are collectively discussing is ripe for any sort of decision. This is troubling in itself. However, equally troubling is the fact that some Members already seem to be making linkages between the issues and are preventing certain topics from being advanced technically. This is a recipe for failure. All issues need to be allowed to advance on their own merits at least in the weeks to come.

Consequently, like others, we consider that we should use the time before the summer to push technical work on all issues and reserve the recalibration and package discussions for this autumn.

Let me briefly share our assessment of the progress on the main issues. Fisheries subsidies and domestic regulation in services remain the areas where most advanced discussions are taking place.

Following the EU's textual proposal and the recent submission by New Zealand, Iceland and Pakistan, we now have two concrete textual proposals on the table on fisheries subsidies, in addition to three other submissions. This shows the clear and shared interest of the Membership to deliver in this area. We should pursue our discussions and do the utmost to come up with a consolidated draft text by the summer.

On domestic regulation in services, basically all the building blocks of a comprehensive textual proposal have now been put forward and we would welcome any complete proposals on the development dimension. We have noted the elements on domestic regulation submitted by India in its proposal for a Trade Facilitation Agreement for Services. Having different text proposals will contribute to the preparations of a solid body of horizontal disciplines on domestic regulation. We should avoid at all costs letting other elements interfere into this well advanced discussion and rather ensure that a stand-alone common textual proposal on domestic regulation in services can quickly emerge.

In other areas significantly more work remains. Nevertheless the EU is working hard to ensure that all avenues will be explored in the near future.

Two weeks ago, in the margins of UNCTAD's E-Commerce Week, a number of Ministers from developing countries acknowledged the relevance of E-Commerce as a tool to narrow the digital divide and agreed on a roadmap towards MC11. This is yet another evidence of the interest not only from developed but also from developing countries to see the WTO adapting to the e-commerce challenges. Against this background, and in a further effort to engage into a concrete discussion, the EU believes that WTO Members need to focus attention on a few issues that can gain consensus, including for example principles on Consumer Protection, Unsolicited Messages, Authentication and Trust Services and Electronic Contracts. Advancing on these issues would be an important first step in contributing to a better integration especially of SMEs in the world economy.

Speaking of SMEs, the EU firmly believes in the importance of ensuring that the WTO has respond to the needs of our small companies. We therefore intend to come forward with a submission developed around three main dimensions: ensuring the availability of information on regulatory measures over the Internet, building a user-friendly web portal on regulatory information and being inclusive by enhancing public consultation and good regulatory practice.

Finally, it is clear that a further acceleration is needed in our consideration of how to advance on domestic supporting as of where, despite the broad interest, concrete discussions have not yet started. The EU shares the concern of many Members on this issue and believes that an effort needs to be made to come up with concrete ideas on a possible architecture allowing us to take an incremental step forward on this issue. Advancing on domestic support could go hand in hand with finding a permanent solution on public stockholdings.

We should not let the negative voices on the WTO prospects become self-fulfilling. Uncertainties surrounding MC11 preparations will not soon fade away and we need to factor them in. In the short term the threats on the multilateral trading system should call on greater, not less, efforts towards achieving concrete outcomes in Buenos Aires. This is the first and immediate priority to ensure that the WTO retains its credibility.

15. Plurinational State of Bolivia

Given how little time remains before the meeting, I would like to speak about how Bolivia envisages the upcoming Ministerial Conference in Buenos Aires.

For Bolivia, the only legal framework for the negotiations is the Doha Development Agenda. We therefore believe that in Buenos Aires, development must be repositioned as a substantive element of the multilateral trading system, which has been reflected in all the ministerial decisions since Doha, including the Nairobi Ministerial Declaration, paragraphs 30-32 of which reflect the current state of affairs in the Organization.

Bolivia will continue supporting initiatives which enable the Doha Round to be resolved in a satisfactory manner, particularly with regard to agricultural reform, where we have noted with concern that very little progress has been made in view of the Eleventh Ministerial Conference.

As to new issues, in accordance with paragraph 34 of the Nairobi Ministerial Declaration, we reiterate that Bolivia will not support the inclusion of new issues which have not been agreed by all Members. We have serious misgivings about discussing, without a mandate, issues such as investments, e-commerce and MSMEs in this Organization, without first having resolved issues that have been outstanding since the Uruguay Round, such as agricultural reform and implementation matters. Moreover, we do not support the encouragement of plurilateral initiatives which essentially undermine the foundations of a multilateral system.

We are open to continuing the debates on e-commerce, provided that they are based on the work plan adopted in the General Council Decision of 30 September 1998 and the Ministerial Decision of 19 December 2015.

As to agriculture, I am not going to describe our position in detail, but instead would like to mention the issues on which we are hoping for substantive, pro-development outcomes in Buenos Aires: the elimination of domestic support based on revision 4 of the modalities for agriculture, the adoption of the special safeguard mechanism for developing countries and a solution to the issue of public stockholding for food security, which includes a permanent solution for all the developing countries, as proposed by the G-33.

We have also watched with systemic interest the increased momentum gained by the negotiations on the elimination of fisheries subsidies. We hope that this will serve the interests of the developing countries, take into consideration the asymmetries between Members and lead to robust and useful special and differential treatment.

To conclude, I would like to reiterate that Bolivia will work in a constructive and appropriate manner, taking into consideration the interests of the vast majority of the Members of this Organization, in view of the upcoming Ministerial Conference in Buenos Aires.

16. Montenegro

We are entering a new phase of the work in the WTO in preparation for the MC11. With some delay, all regular, working and negotiating bodies are ready to go with their new chairpersons and renewed dose of enthusiasm to ensure timely, transparent and inclusive negotiations that will provide further strengthening of the multilateral trading system and the centrality of the WTO.

Montenegro welcomes the election of H.E. Susana Malcorra, Argentina's Minister of Foreign Affairs as the chairperson of the 11th WTO Ministerial Conference and congratulates again the Government of Argentina as the host. My Delegation wants to convey the Government of Montenegro's full support in the months to come to you Director General, and to the Minister Malcorra and her team in their effort to bring yet another success for the multilateralism, Latin America region and the WTO membership.

Montenegro is strongly committed to the rule based multilateral system and understands that agriculture stays as the core issue that drives negotiations in other sectors of current negotiations. In this context, we would like to recognize the commitment and confidence expressed by Ambassador Stephen Ndung'u Karau of Kenya as the new chair of the Committee on Agriculture in Special Session. We appreciate his vision in support of two topics as the priority in the work and submissions of the members regarding: permanent solution of public stockholdings for food security purposes, and special safeguard mechanism for developing countries (actions that are mandating). We have a strong hope that the most significant reform of the agriculture trade in the WTO's history achieved in Nairobi, will continue with new results in helping to level the playing field for the benefits of farmers and exporters, particularly in developing and the least developed countries.

However, we also believe in incremental steps and result in negotiations and, with that in mind, Montenegro is active in a number of issues currently under constructive engagements of membership. I would like to highlight some of these issues that are of particular interest for Montenegro:

E-Commerce

With the possibility of convergence in narrowing down specific issues related to the relationship between trade policy, the WTO and digital economy, Montenegro strongly believes that the expansion of the digital economy fosters new opportunities to promote inclusive economic growth. Among other things it helps to connect rural and urban economies, open new channels for trade for landlocked countries, and facilitate the participation of women and micro enterprises in the formal economy. Montenegro takes part as a proponent and cosponsor in submission of one of the discussion papers that reflects way forward, including the set of concrete rules in electronic transactions, already mentioned by the EU delegation, such as: e-contracts, e-signatures, regulatory frameworks pertaining to consumer protection and unsolicited messages (or spam). I would also like to reiterate the value of ideas put forward by a number of countries regarding initiatives, measures or technical assistance for LDC countries contributing to enhancing e-commerce and in closing the current digital gap. Montenegro believes that the discussion so far provides substantive approach and enough flexibility so that these ideas and elements might foster further intensive exchange on e-commerce across the board in the WTO toward the MC 11.

Fisheries Subsidies

In line with 14.6 UN sustainable goal: Within the current discussion Montenegro continues to advocate the road map for protection of artisan fisheries' communities and capacity building for the countries in need to step up elimination of Illegal and unreported fisheries;

Expansion of the WTO

Expansion of the WTO remains high on our list and we strongly believe that with additional efforts we could welcome new members at the MCXI. To this end we would like to see the intensifying of accession process of Sudan and Belorussia and particularly for BiH and Serbia as their membership to the WTO would be a value added to the implementation and benefits of the TFA for the Western Balkan region.

SMEs

There is an additional issue that Montenegro would like to see more intensively discussed toward MC XI. As you have stated in the recent annual report on SMEs, you "always sought to make the work of the organization more inclusive but, over the years, you felt that the interests of SMEs have sometimes been overlooked". This is an issue, which members could seek to address and which could make a significant contribution toward supporting growth, development and job creation in the current global economic environment. What further action is taken in favor of SMEs is for WTO members to determine. Montenegro would like to ensure that SMEs' interests are not only remembered but also advanced in MCXI, so that we can continue building a more open and inclusive trading system, the benefits of which are available to all. Montenegro calls upon all the member states to seek this moment in which trade facilitation holds particular benefits for SMEs, fostering their entry into international markets. We need additional actions in identifying how WTO 11th Ministerial conference could support SMEs and how SMEs around the world can further unlock the growth potential of e-commerce and create more jobs. Montenegro is looking forward to contributing to the upcoming submission on this specific topic.

Montenegro is committed to stay engaged in achieving a higher level of specificities toward commercially meaningful outcomes that will forge multilateral trading system and provide new success of the WTO in Buenos Aires.

17. Chile

As our Chair indicated in her statement before the members of the Council a few weeks ago, the WTO plays a fundamental role in the system and must continue working on the regulatory function and on negotiations in order to keep pace with the 21st century economy, without forgetting the outstanding issues.

In this connection, I would like to reiterate our political, diplomatic and technical willingness to contribute to the success of the upcoming Ministerial Conference in Buenos Aires.

We do not see a contradiction between "new issues" and "outstanding issues" and we firmly believe that many of the so-called new issues are an effective tool for strengthening the development dimension, which concerns us all.

We do not doubt the benefits that free trade has brought millions of persons. Not moving forwards means moving backwards and putting those same people and future generations at risk. This is why, as a developing country that can speak to the benefits of international trade, Chile is focusing its efforts in the WTO, along with other Members, particularly with respect to agriculture, fisheries subsidies, e-commerce, MSMEs, trade facilitation for services and investment, always in view of Buenos Aires.

18. Uganda

At the outset, we would like to associate our delegation with the statement delivered by Rwanda on behalf of the African Group; Cambodia on behalf of the LDCs Group; and the statement to be delivered by Indonesia on behalf of the G33. We would also like to recall the statement we delivered on 23 February 2017. Today, we have a few points to raise:

Agriculture

My delegation has great interest in agriculture given the fact that 80% of our population heavily depends on it. It is a major contributor to national income and the largest employer. The success of this sector is vital not just to our economic growth and development but for food security and the alleviation of poverty, particularly in rural areas. It therefore follows, that trade in agricultural products, both domestically and internationally affects the performance of the sector and the profitability and viability of farming. It is important that we move to undertake the requisite reform envisaged in Para 13 of the Doha Ministerial Declaration with the view to the substantial reductions of domestic supports. We have said before that even if as LDCs, we were to have 100% DFQF, without disciplining the trade distorting domestic supports, the market access will be meaningless. In our view, Agriculture will have to set and determine the level of ambition. Further, and consistent with the Nairobi Ministerial decisions, we shall be looking for the conclusion of a Permanent Solution on Public Stock Holding for Food Security Purposes; and the establishment of an effective and easy to use Special Safe Guard Mechanism.

Special and Differential Treatment

We have variously indicated, the focus in Africa is on structural transformation and industrialization in line with Agenda 2063. There is a strong conviction that, Africa cannot survive without value addition; and that therefore, we must use trade policy instruments to promote the industrialization of the Africa we want. In 2015, Africa's share in global trade was only 3%, with total exports comprising 80% raw commodities and 20% manufactured. In order for us to realize Africa's structural transformation, it must be driven by a manufacturing sector that will add value to Africa's primary products before exporting them to international markets. Otherwise, we risk turning into an enclave economy where we produce what we don't consume and consume what we don't produce. UNECA predicts that by transforming Africa's mineral export volume alone, by just 5 per cent before export, it can create 5 million jobs a year. Ours is a win-win proposition. With this approach, our people would not have to travel to far off lands to cause immigration challenges. As you may be aware, we are working within the African Group in line with Para 44 of the Doha Ministerial Declaration to develop proposals that will address the issue of industrialization within the special session of the committee on trade and development. We hope to be able to submit our proposals as soon as possible.

Domestic Regulation

LDCs are net services importers. In 2015 LDCs Services trade deficit reached US\$36bn. It therefore follows that in assessing the cost and benefit of Domestic Regulation rules, it would depend on whether or not a member is a services exporter and faces various sorts of barriers entering other members markets, or a net services importer, given the fact that DomReg is about effective market access. It would therefore mean that if we were, as has been suggested by the proponents, to undertake these onerous, intrusive, and unnecessary, disciplines; we would be granting unfettered market access to the proponents, which is contrary to the object, purpose, and spirit of the LDC Waiver Decision. are the proponents seeking to roll back the benefits envisaged in

the waiver decision? Do the proponents consider the waiver mechanism to have been a reciprocal arrangement? To what extent would the potential adoption of these disciplines by the LDCs impact on the preferential treatment already provided under the LDC Services Waiver considering that LDCs are net services importers? And who determines what is objective and or reasonable? What is the standard measurement or criteria for these concepts? LDCs have language agreed ad ref in both the chairs texts of 2009 and 2011. This flexibility should be preserved.

New Issues

We also have systemic concerns about proposals being introduced without any mandate. We strongly believe that respecting the mandates and rules at the WTO should not be taken lightly, otherwise we risk knocking down the only protective wall that developing and least developed countries have. Rules! Imagine a situation where LDCs argued a case on the basis of zero mandate. Who would listen to us? If we break down this wall of protection, what do we have as non-powerful countries? We risk creating a situation where in the most immediate future, the great questions of the day shall not be resolved by speeches and resolutions, but by might against right. It is therefore important that we uphold, promote and protect, the object and purpose of paragraph 1(g) of the July Framework, it says *inter alia*: ".....that these issues, mentioned in the Doha Ministerial Declaration in paragraphs 20-22, 23-25 and 26 respectively, will not form part of the Work Programme set out in that Declaration and therefore no work towards negotiations on any of these issues will take place WITHIN the WTO during the Doha Round. We therefore do not agree to any attempts to the contrary intended to create new facts on the ground without going through the due process. It is not fair to this Organization and to our predecessors for some of these elements to even feature on the agenda of the very body that prohibited them. It is our view that any issue, which is without a mandate, should not waste Members' time. It must be clarified chair that we are not opposed to discussions as such on any new issues.

Process

As we have said in the past, we would like to call upon you to put in place a credible and transparent process that does not seek to replicate the Nairobi files. In order to do that we would invite you to put in place a two-track process. On one track we engage on the possibility of a package; while the second stream deals with the drafting of an outcome document for Buenos Aires. That document should provide clarity on all aspects. We mean all aspects including on what happens to the reform program that had been envisaged in Doha, with respect to agriculture and all the other elements. This process would provide all of us: developed, developing and least developed countries, with an opportunity to engage in determining the future of this Organization. If we have learnt anything from the past, it is that Nairobi did not give all of us the opportunity to negotiate the most critical parts of the Declaration. They were imposed on us at the last minute, by a small group in concert with the Secretariat. The process should therefore be bottom up, transparent, predictable and inclusive. The small club mentality should be abandoned. Further, any text to be presented to the Ministerial Conference must have been agreed to by consensus by the membership of the whole at least six weeks before the Ministerial Conference. It would therefore be most important to convene a dedicated session to discuss process issues before MC11.

19. Brazil

A positive outcome in Buenos Aires is crucial. However, we still don't have a common set of goals or landing zones.

For Brazil, the DDA remains the main reference, a view that translates in the centrality of development issues. At the same time, we are ready to discuss all topics on the table, on their own merits, including the so-called new issues. After the summer, we would be able to assess whether the package being discussed passes the test of balance and development-orientation. If it doesn't pass the test, then we will draw the consequences.

We suggest that this approach could provide us a common ground to start real consideration of the issues that have been proposed so far, without prejudging any outcome.

Agriculture

Agriculture is of paramount importance. We could not agree more with the point made by the delegate of Rwanda, on behalf of the African Group: the overall level of ambition in Buenos Aires will be determined by agriculture. We trust that the selection of Ambassador Karau as CoA-SS Chair will help to promote further real engagement.

Brazil will continue to focus primarily on domestic support, with special consideration for cotton. Our vision for Buenos Aires includes the goal of a concrete and feasible framework for continuous progress and commitments in this area. We are intensifying our work in order to submit concrete ideas.

We also recognize that Public Stockholding is a core issue.

SPS

Brazil is starting to hold informal consultations on a paper with ideas to reinforce core principles such as the science-based approach, equivalence and regionalization recognition, and the use of good offices. We will consider next steps in light of reactions to the paper. In any case, SPS issues are an indispensable component of initiatives in the area of good regulatory practices.

Fisheries Subsidies

Brazil remains committed to achieving a multilateral outcome in line with SDG 14.6. The situation of developing countries which are in a situation of undercapacity and actually underexploit fishing resources must be taken into account.

Services

We should remain focused on elements of domestic regulation/trade facilitation. While having specific concerns regarding the Indian proposal for a TFS agreement, Brazil considers it to be an important contribution.

Investment Facilitation

On the related issue of investment facilitation, a topic of interest for Brazil, we support the goal of starting a dialogue. Together with Argentina, we circulated a document, which is meant to provide inputs for informal discussions.

E-Commerce

On e-commerce, a topic in which we circulated three papers, it is important to take into consideration the concerns expressed by a number of Members. Therefore, a possible outcome for Buenos Aires could include three straightforward elements: (one) guidance from the Ministers on a possible way forward; (two) concrete recommendations and decisions on how the WTO could contribute to address the digital divide; and (three) specific trade facilitation measures on issues like e-signatures, for example.

MSMEs

We also highlight our interest in MSMEs.

In conclusion, we repeat the message that we shared in the previous HoDs: we are not taking anything for granted.

Managing expectations is crucial. Incremental results seem to be the best possible scenario. Others refer to an even more modest approach, seeing the Ministerial as an opportunity for "planting", rather than "harvesting".

In any case, we continue to believe that it is our duty to remain engaged.

20. Republic of Korea

Given the uncertainty surrounding the future of the global trading system, we hope that Buenos Aires will be the place where the trade pendulum swings back in the right direction. In this respect, it is encouraging that global trade is picking up as demonstrated in the WTO Trade Statistics and Outlook published last month.

It is up to us to create a conducive environment to further strengthen the recent upswing in global trade. Such an opportunity in Buenos Aires should not be missed. The best way to make people around the world embrace the trade for their benefit is through concrete actions for further expansion of trade and development of sound trade rules, rather than through entreaties, however persuasive they may sound.

As reported by the Negotiating Group Chairs, there have been activities in different areas with varying intensity. We have seen fresh proposals in various areas including in fisheries subsidies, trade remedies, services, e-commerce and investment facilitation. We are also aware of interests of some Members on NTBs.

Yet, we do not see a clear path towards Buenos Aires. This lack of clarity, however, should not discourage us. We have to carry on to ensure that the contours of MC11 deliverables emerge sooner rather than later.

We are aware of the concerns of many Members on some of the issues on the table, including services domestic regulation, e-commerce and investment. We believe that sharing best practices and exploring rules and principles in these areas will help us better take advantage of new opportunities that the current global economy offers.

Our goal is ensuring that all WTO Members make the best of trade opportunities for their prosperity. Restraining policy flexibility per se is not our purpose. In this spirit, we should be able to find ways to address specific concerns while advancing our discussions.

With this, we would like to offer our thoughts on some areas, namely Agriculture, Rules, E-commerce, and Investment Facilitation.

Agriculture

First of all, we associate ourselves with the statement (to be) made by Indonesia on behalf of the G-33. Agriculture will remain a gateway issue for the success of MC11. We should deliver the mandate from Bali and Nairobi on Public Stockholding for Food Security Purposes (PSH). We should also secure meaningful outcomes in other areas including SSM and Domestic Support.

We all know where each Group or Member stands. Now is the time to discuss pragmatic and creative alternatives to bridge the long-standing gaps. New submissions made in this spirit would help advance our discussions. We look forward to working together with the new Chairman of the COA-SS and other Members so that we can continue the long-term reform process that respects unique conditions and sensitivities of each and every Member.

Rules

Text proposals in the form of fisheries subsidies disciplines are on the table. Additional such proposals are expected. However, this intensity of activity has not been met with a commensurate degree of convergence. Gaps remain wide apart on key issues, in particular, the scope of prohibition and S&D treatment.

We should remain conscious of the importance of this issue as a test for whether the WTO can make substantial contribution to achievement of SDGs. We should not let over-reaching ambition fail this test. We hope that pragmatism will guide us in identifying balanced disciplines that would allow sustainable exploitation of fisheries resources for all of us.

We also appreciate China's recent proposal on trade remedies. We should give this proposal a fair chance of examination without any presumption.

E-Commerce

Members have explored diverse trade-related dimensions of e-commerce at the relevant Councils and Committees. We hope that Members can build on these discussions to clarify the potential role of the WTO on e-commerce.

In doing so, the development aspect of e-commerce should be fully reflected. We welcome all efforts in this regard, such as UNCTAD E-Commerce Week and mapping paper of the Friends of E-Commerce for Development (FEDs). MC11 should give us more clarity, in the form of an updated work program or fresh mandate, on the role of the WTO on this important topic for development. We also hope that at MC11 we will be able to deliver a set of practical steps to facilitate rapidly expanding e-commerce of today.

Investment Facilitation

MIKTA organized a workshop on trade and investment in March. The reflection note on this workshop was circulated in a WTO document (JOB/GC/121). We also welcome the proposal for an informal dialogue from the Friends of Investment Facilitation for Development (FIFD), and the three communications by the Russian Federation, China, and Argentina and Brazil. We expect candid exchange of views on these submissions at the General Council this week.

21. Mexico

We are witnesses to a worrisome situation in which the functioning of trade policies aimed at openness is being questioned; previous agreements, the signing of which we take for granted, are being rejected; and the very foundations of the rules of the multilateral trading system are being called into question.

We therefore cannot assume that the agreements that were collectively reached in recent years will be guaranteed. As a result, the first step towards Buenos Aires must be to preserve the integrity of an open, rules-based, transparent and predictable multilateral system.

This must be the objective that guides our path in the coming months. Our goal is, no doubt, to move from the abstract to the concrete, but what we must not lose sight of, in all the areas which are relevant to the smooth functioning of this Organization, is the integrity of the system.

There are various ways to achieve this, but none of them involve staying put and hoping that others will do the work or change their position. Now is the time to decide what we want to happen at the Eleventh Ministerial Conference in order to guarantee the sustainability of this Organization's work in the long-term.

In the negotiating agenda, agriculture, the issue which, for the vast majority, should be prioritized in Buenos Aires and which undoubtedly will be the catalyst for results in other areas, merits a brief discussion based on concrete proposals. We urge Members who have ideas to present them as soon as possible, as we are sure that the time has come to debate them.

At the same time, we cannot be restrictive and make the rest of the agenda conditional on the achievement of immediate progress in agriculture; we must try to address all the issues in a comprehensive manner. The Membership must give itself the opportunity to discuss and make progress on other issues, with a view to developing other possible alternatives for consensus in areas in which our productive sectors require updated rules for 21st century challenges, such as fisheries subsidies, services and e-commerce, and for other issues, such as investment and MSMEs, which at the very least deserve to be discussed in this Organization, given their obvious link to investment and trade. With regard to e-commerce, we agree with the statement by Costa Rica with respect to Friends of E-commerce for Development.

Lastly, in times such as these, we cannot afford to use procedures that undermine this Organization's credibility and our ability to address the challenges presented to us by the international environment. Members must be up to such challenges, which is why we need to ensure that our work runs smoothly and that we do not get distracted from urgent matters.

We acknowledge that the multilateral trading system can be improved and that there is work still ahead of us, in light of both traditional issues and new challenges that international trade and investment present for our societies. It is therefore crucial that this Organization develop a future vision of the Eleventh Ministerial Conference. Buenos Aires provides us, perhaps, with a unique opportunity, one which we might not have again for several years, to send a strong message that the WTO is stronger than ever and that we, its Members, are prepared to defend it and to behave responsibly. Mexico certainly is.

22. Russian Federation

We welcome wholeheartedly recent consensus reached on the slate of chairpersons of the WTO bodies, including Committees on Agriculture and Dispute Settlement in their Special Sessions. Discussions have intensified in many negotiating groups, and several position papers have been put forward.

However, we bear in mind that MC11 will take place in exactly 7 months from now. Time is running out inexorably fast. We believe we have to do our utmost in order to prepare a meaningful package for the MC11 and agree on it before we leave to Buenos Aires. I reiterate that it is our task to ensure that the rules-based multilateral trading system responds adequately to the challenges of the global economic environment to provide predictability and security.

As I have said before, the agricultural track is an extremely important part of the negotiations for the Russian Federation. In domestic support, we would welcome a solution that puts agricultural producers on an equal footing. Russia believes that key agricultural players should make necessary steps to reduce trade-distorting domestic support. We hope that under able leadership of Ambassador Karau negotiations in this area will be aimed at bringing the level of commitments of original Members to the level of those that acceded under Article XII of the WTO Agreement.

We are in favor of elimination of the existing provisions on SSG. In our opinion, current provisions do not reflect our common goals of liberalizing trade and avoiding creation of new trade barriers.

Let me stress the importance of Public Stockholding for Food Security Purposes, as mandated by our Ministers in Nairobi. In our view, any permanent solution should address food security concerns of all the membership.

In Rules, Russia welcomes developments in anti-dumping and countervailing issues. We welcome the document submitted by China on trade remedies. We also note the proposals on fisheries subsidies that were put forward, and will participate in future discussions.

We are open to substantive discussions on new issues, such as e-commerce and investment. Russia has tabled a proposal on investment facilitation, and we are looking forward to discuss this issue further at various formats.

We welcome the practical work on paragraph 28 of the Nairobi Declaration on systemic implications of Regional Trade Agreements for the multilateral trading system and their relationship with WTO rules. We are looking forward to continue this dialogue under the leadership of the new Chairman of the RTA Committee.

We remain positive in our assessment of revitalizing the Dispute Settlement review process. We hope that it will remain active after the new Chairman assumes his duties. With a view to facilitate convergence, Russia has tabled its first textual proposal on this negotiation track. We remain committed to work constructively with all the delegations for positive deliverables towards MC11.

To conclude, let me underline that the coming weeks and months before the summer break will be crucial for the success of our work. The Russian Federation will continue to play an active role in the negotiations and would welcome the efforts of other Members promoting issues in their own merit and aimed at ensuring that Buenos Aires Ministerial is a success.

23. Hong Kong, China

As I listened carefully to your report and those of the Chairs, I was thinking how Members of the WTO, notwithstanding our different interests and priorities, could collectively take the negotiations forward and, more specifically, how HKC could contribute.

Services

HKC is a well-known demandeur in Services, in particular in domestic regulations disciplines. For many years we have been working to fulfil the mandate of Art.VI.4 of the GATS. We certainly want an outcome at MC11.

Building blocks have emerged, covering the administration of measures, transparency, technical standards and the development of measures. HKC as one of the proponents is heartened to see the broad engagement and the increasing momentum at the WPDR. If Members manage to put together a comprehensive proposal before the summer break, we should have a good chance to succeed. This is what we will be driving at in the coming months. We also stand ready for market access negotiations if Members are interested.

Rules

Another area clearly gaining traction is fisheries subsidies.

HKC is not in the driving seat there, but we have been watching closely the development. Like many Members, we are concerned about the depleting fisheries resources, and see a need to address this issue by clarifying and improving WTO disciplines.

It is encouraging to see textual proposals coming up, and to have Ambassador McCook, Chair of the Negotiating Group on Rules, leading a systematic, transparent and inclusive process at the Negotiating Group. We need this not only for fisheries, but also for trade remedies where better rules can more effectively guard against the abusive use of anti-dumping and other measures. We hope the upcoming discussions will help Members find common grounds soon.

NAMA

HKC also has ambition in NAMA. We understand that, realistically, there aren't many options for a NAMA outcome at MC11, but we remain hopeful that action can be taken to tackle non-tariff barriers, because they are posing major hurdles to our businesses, in particular SMEs. We need rules and practices that are more transparent and predictable for them to thrive.

Agriculture

We appreciate that, for many Members, Agriculture is a gateway issue and having concrete deliverables there is a must. In the coming months, we can expect negotiations to speed up and intensify. This ought to be the case for Agriculture, as in other areas. HKC believes that the various negotiations should progress in parallel to maximise the benefits of the deal.

E-commerce and Investment Facilitation

Regarding E-commerce and Investment Facilitation, HKC has interest in both, not only because they are already an indispensable part of global trade, but also because they are very relevant to key areas of WTO work such as Services and Development.

Given these links, and Members' increasing interest and heightened activities in these areas, HKC believes that the prospect of such interest being sustained by a deeper, albeit exploratory or informal, dialogue in the WTO should not be dismissed.

There is no lack of potential deliverables at MC11, but the WTO is not working in a favourable economic and political climate, and we do not have a lot of time. If we want to deliver, we need not only Members to propose, but also Members to engage; we need to harness political strengths, not to frustrate, but to facilitate the process.

Between now and MC11, HKC will stay focussed, driving our own proposals and supporting others. As a strong advocate of the multilateral trading system, HKC cares about systemic interest as much as we care about our own. You can count on us to be a constructive player, a consensus builder and an honest broker.

24. Pakistan

WTO reports show a serious slowdown in international trade, which in 2016 only grew by 1.2%. This contrasts with global economic growth of 2.2% for the same period, which is the lowest registered level since 2009.

This slowdown is worrisome because it has serious implications for employment and economic development, particularly in developing countries.

Although WTO projections for 2017, signal some improvement in economic activity, such growth may be affected by the global political uncertainty and financial vulnerability that threatens markets.

Furthermore, over the last decade, international trade has seen a sustained increase in non-tariff barriers. We are faced with the challenge of eliminating distortions and obstacles that affect the trade exchanges, especially among developing and least developed countries.

We have been following your advocacy and defense of Trade as a proven tool for development and poverty alleviation, you have been most vocal in highlighting the fact that barriers and protectionism will further complicate the situation rather than resolving it. We appreciate your efforts.

In present times multilateral approach becomes even more important, WTO is corner stone of global economy, which has worked for benefit of our people.

The message that we have to give at Buenos Aires is that together we will build a stable, common prosperous future.

For us, Agriculture is of paramount importance, with 93% of our farmers being subsistence farmers, an outcome in form of substantial reduction of trade distorting domestic support on agriculture products, including cotton, is top priority. We are deeply concerned about growing trade distortions in agriculture caused by domestic support policies. Long-term reform of domestic support in agriculture is critical for our farmers. We are greatly encouraged by number of papers on the table. We will constructively engage with all members, to discuss, develop and bring forward credible and tangible options for reducing trade distorting domestic support in agriculture.

Pakistan is committed to the mandate of our Ministers to discuss all the three pillars of Agriculture Negotiations including Public Stock Holding. We are aware that, Stockholding plays an important role especially in countries with high population. It is important for emergencies, natural calamities or during high international prices. Welfare aspect of food security is undeniable. However in our view the Public Stockholding programs used to achieve this purpose often lead to distorting global agriculture trade of staple food. So any future outcome should ensure that it does not undermine food security of other members, and does not adversely impact export markets. A sustainable permanent solution on Public Stockholding has to work for everyone.

Fisheries sector's plays a critical role in poverty eradication, employment generation and sustainability of natural habitat in our coastal areas. Pakistan has a coast line of 1100 km, effective implementation of SDG commitments will ensure socio-economic wellbeing of the poor coastal communities. We have to demonstrate some concrete steps to fulfill our commitment to goal 14.6 of SDGs that requires prohibiting by 2020 those fisheries subsidies that threaten sustainability of fish stocks. We are carefully looking at all the proposals and ready to work with the membership for a balanced outcome.

Pakistan is open to discussions on Market Access for Industrial products including tariff peaks, tariff escalation and non-tariff barriers. Non-tariff measures (NTMs) are of particular concern to exporters in developing countries, as they are a major impediment to international trade and can prevent market access.

The importance of services for growth, development and connectivity is critical.

The interest exhibited by Members in Services negotiations is very positive development. We are very supportive of efforts of members and Ambassador Cima in the services track. We will constructively engage with all the services proposals on the table.

Micro, small and medium-sized enterprises are responsible for the bulk of job creation, economic dynamism and innovation. But most times they do not participate in trade and in the global economy to a level that matches their potential. Although these young, dynamic MSMEs are engines of growth and innovation, it is estimated that about 20% of new SMEs go out of business after their first year, and that over 50% eventually wind up after five years. We have to support these MSMEs in fully integrating into global trade. We need to prioritize needs of MSMEs, in all streams of our work.

MSMEs and E-Commerce are inextricably linked.

We had E-Commerce week, at UNCTAD recently, this was third Ecommerce week organized by UNCTAD. Colleagues, 60 Participants registered for first one, 300 participated in second one, the one held last month saw participation by more than 1000 representatives, from governments, private sector, international organization and civil society, debating Ecommerce.

Chair, in our view one key lesson from Ecommerce week is listening to the needs of your constituents and institutional relevance. If WTO as a premier institution responsible for Trade has to remain relevant for our constituents, especially private sector, we have to address Ecommerce at MC11 in a meaningful and futuristic manner. We welcome contributions made by members on ecommerce and will constructively engage with them. Chair, it is our view and experience that, done right, key beneficiary of e-commerce will be LDCs and developing countries

In our view facilitating investment is crucial for the post-2015 development agenda. UNCTAD's Global Action Menu for Investment Facilitation already provides policy options to improve transparency and information available to investors, ensure efficient and effective administrative procedures, and enhance predictability of the policy environment, among others. We would like members to explore how the WTO could contribute to facilitating cross-border investment, with the ultimate aim of promoting more inclusive trade and growth for its Members, especially developing and least-developed Members.

The vital link between trade and development is enshrined in the WTO agreements; they provide special provisions for developing countries, which comprise of almost 75% of WTO membership. The WTO has provided more and more developing countries with a seat at the table – where their voice is heard just as loud as any other, and they play a key role in managing the system, shaping its agenda, and negotiating its agreements. The development dimension is essential for an inclusive rules-based Multilateral Trading System. Ultimate aim of trade policy and trade rules must be poverty reduction, growth, welfare and development that work for all members of the global economy.

25. Switzerland

The Buenos Aires Conference is approaching fast and there is little time left to make the necessary preparations. The Conference will take place at a time when trade and globalization have come under fire from different quarters.

Globalization and technological change are indeed posing new challenges for which adequate responses are often not readily available. But as the Director-General has been stressing on multiple occasions, protectionism cannot be the answer.

The Nairobi Ministerial Conference ended with directions for our work that should be followed, particularly where guidance is as specific as for Public Stockholding.

We also recognize the relevance of other outstanding Doha issues, including in agriculture, but wish to reiterate the importance of a much better balance in future outcomes than at MC10.

At the same time, the multilateral system needs to remain open and responsive to changes in the global economy and promote a more sustainable world as envisaged by Agenda 2030.

Here, we would like to stress the importance of bringing the work on fisheries subsidies to fruition.

We also appreciate initiatives by Members aimed at also exploring and deepening the understanding of topics that may fall outside of existing negotiating mandates, such as e-commerce and investment.

We furthermore are supportive of proposals aiming at reducing transaction costs for MSMEs, in particular the cost of accessing information on trade regulations in foreign markets.

Much useful thinking and written material has already come to formal and informal tables since last year, both on Doha and on other themes, and we understand that more is on its way.

For MC11, we should aim at demonstrating the utility of the WTO for Members, their workers and businesses through fresh concrete outcomes and work streams for the future.

For now, let us advance work where there is interest and momentum, and move to framing potential deliverables for MC11.

We also hold that, for the time being, topics should be discussed openly on the basis of their own merits. Achieving an overall balance is a question that should be addressed in the autumn.

26. Indonesia (G-33)

We understand that time is very short as we are now only months away from Buenos Aires. We have to redouble our efforts and to intensify our works immediately if we are really to deliver credible and development-oriented outcome at MC11.

While welcoming various proposals that have been put forward by Members to move overall negotiations forward, we must keep in mind the specific mandates agreed by our Ministers in Nairobi to continue the negotiations on the Public Stockholding for Food Security Purposes (PSH) and the Special Safeguard Mechanism (SSM) for developing countries through the dedicated sessions. Since both issues are Nairobi priorities, the Group firmly believes these issues shall be taken forward in a dedicated expeditious manner to having them harvested by MC11.

A permanent solution for the PSH and an accessible and effective SSM are important tools needed by the developing Members, SVEs and LDCs for sustaining investments in agriculture for food security, livelihood security and rural development, as well as addressing the destabilizing and crippling effects of import surges and downward price swings in the increasingly volatile global agricultural markets largely due to huge subsidies in productions and exports by developed Members.

The Group is willing to work closely with the Director-General and all Members to best use of the remaining time to continue the discussions on both issues with the sense of urgency. As shown in the past, the Group stands ready to constructively engage in the discussions and to consider any reasonable, warranted, credible and solution-finding ideas that are consistent with existing mandates since Doha.

The Group also wishes to reiterate that it will continue to pursue the special products (SP) for developing Members should discussions on tariff reduction in the market access pillar be taken up.

27. Indonesia

First of all, Indonesia would like to associate itself to the statement made by the delegation of Philippines on behalf of the ASEAN Member States.

Indonesia firmly believes that it is of Members' interests to deliver credible, tangible and balanced outcomes in Buenos Aires. In this regard, my delegation wishes to reiterate that our negotiations shall continue to be guided by the centrality of development, as clearly mandated by the Nairobi Ministerial Declaration.

As the Buenos Aires is only months away, while welcoming any proposals to advance the negotiations on the remaining Doha issues, my delegation is of the view that Members need to focus on issues, which will deliver development benefits to the whole Membership and have potentials to be agreed in Buenos Aires. Taking those into consideration, Indonesia believes that the discipline on Fishery Subsidy and Domestic Regulation may become deliverables in Buenos Aires.

In moving the negotiations forward, however, Indonesia wishes to reiterate that special and differential treatments for developing and LDCs Members, shall be an integral part of any discipline that we are going to agree.

Finally, Indonesia stands ready to closely work with the Director-General and all Members to deliver credible and development-centered outcomes in Buenos Aires.

28. Mali (C-4)

The C-4 said that the spirit of transparency and inclusion prevailed throughout this process and fully supports the statement made by Rwanda on behalf of the African Group, by Cambodia on behalf of the LDC and by Guyana on behalf of the ACP group.

The sectorial initiative for cotton, since its launch in 2003 until MC10 in Nairobi in December 2015, has enable to ask to put cotton in top position in the agenda of the WTO negotiations, and we are pleased about it.

However, we need to acknowledge that despite the reaffirmed and renewed engagement of Members to find a fair solution to the emblematic problem of the African Cotton, as announced in the various decisions and statements of the previous Ministerial Conferences, the results are not enough for our ambitions.

In fact, the third pillar of the negotiations - domestic support – remains a Gordian Knot despite the recognition by Members that further efforts need to be made and transparency measures that have been announced cannot replace the fulfilment of the targets we set which are to eliminate domestic support, as established in the paragraph 8 of the Ministerial Decision in WT/MIN(15)/46 and WT/L/981 of 21 December 2015 on Cotton.

The Fifth Ministerial meeting of the C-4 has just been held in Cotonou on 18 to 21 April after which Ministers have instructed us to engage in an active phase of negotiations with the specific tangible projects to come up with a fair and appropriate solution to the issue of Cotton in line with our ambitions.

This statement from Cotonou which sanctions this work, which will be circulated to Members, reaffirms the two main objectives, which are:

- The follow up to the implementation of the achievement in the various Ministerial Decisions adopted.
- The conclusion of the negotiated, equitable and balanced solution to domestic support and other forms of support and trade distorting measures, a pillar which has not yet seen any binding agreement.

The C-4 intends to follow the discussions agreed at MC10 in different formats – bilaterally and quadrilaterally at the WTO.

Based on consensus and the need to record progress on issues surrounding domestic support, for MC11, the C-4 would like to call upon Members to work constructively and to invite them to work and to make tangible efforts in order to come up with substantive results at MC11.

The C-4 on its part renews the willingness to participate in any discussion proposed on the basis of textual negotiations. On this area, the C-4 is planning in the next few days to submit a draft negotiating text on the issue of domestic support for a negotiated and fair solution for all in our path towards MC11 in Buenos Aires in December 2017.

The search for substantial results for domestic support remains our priority.

Despite the uncertainty that prevails in the international environment and the impact on multilateral trading negotiations, the C-4 urges Members to provide an appropriate follow up to the different mandates on cotton within the third pillar of the negotiations and on domestic support. The credibility of the multilateral trading system rests on this.

We remain convinced that trade is important in order to combat poverty and achieve sustainable growth, particularly for African countries that produce and export cotton, and for other developing countries or LDCs in Asia, Latin America and the Caribbean for whom we need a better strategy for their inclusion and integration into the multilateral trading system.

As noted before, the relevance of the outcomes we achieve in Buenos Aires will prove that our organization is a genuine tool that is at service to all Members.

29. Bangladesh

We associate ourselves with the statement of Cambodia made on behalf of LDCs. In my view, it is a timely one since we are moving towards MC11. We need to have sufficient time to discuss issues of importance to most Members. As you may recall, during Nairobi we all expressed our commitment to work on the remaining DDA issues. However, what we observe is that there is little movement in any of the remaining DDA issues. Rather, we have observed that Members have proposed to discuss the issues which are outside the DDA.

In our view, our way forward should be to first focus on our unfinished agenda. In this regard, we like to raise several issues which needed to be discussed before the summer break so that we can take a decision on further action after the summer break.

First, we have taken a landmark decision on the Rules of Origin. Accordingly, we have agreed on a template for the notification and methodology for calculating the utilization rates of preferences LDCs are receiving. However, no notification has been made so far on the implementation of the Nairobi decision. We expect that Members granting DFQF market access to LDC will submit notifications on their implementation so that we can have fruitful discussions in October.

Second, in September 2015 we have agreed to have a clinical examination on the implementation of the Hong Kong Ministerial decision on DFQF market access for LDCs by the Secretariat. It is yet to be done because of disagreement on parameters of the study. We the LDCs revised our submissions in order to take into consideration the observations of Members. We sincerely hope that Members are ready now to accept the parameters proposed by LDCs.

Third, we need to initiate the process of review and operation of the notified preferences which has been agreed upon in Nairobi and has not yet started.

On the remaining DDA issues, we like to bring to Members' attention the following issues:

Development

It was very unfortunate that we could not reach any agreement on S&DT during Nairobi. We need to finish this work. We are going to make our submission taking into consideration the comments received before and during the Nairobi Ministerial Conference. We hope that constructive discussions on our proposal will bring fruitful results.

Rules

We are having discussions only on fisheries subsidies. We understand the importance of addressing the fisheries subsidies in line with the SDG 14.6. However, it is important to address the concerns of small scale fishing and undeveloped reporting system of developing countries in particular the LDCs.

SSM and Public Stockholding

For us, it is very important that we have an outcome on SSM in agriculture in order to protect our farmers from unforeseen import surge. We would also like to see a permanent solution on public stockholding for food security purposes.

Other Issues outside the DDA

We have observed that no discussion is taking place on the issues identified in the work programme on e-commerce although our Ministers have reinvigorated the work programme during Nairobi. We need to have extensive discussions on the core issues of e-commerce as identified in the work programme if we want to have constructive discussions on the necessity of having trade rules on e-commerce. If we can have extensive discussions on those issues, it will help our capital to deliberate on future courses of action. Regarding the recent initiative on investment facilitation, we need more time to reflect on this.

Before concluding, I would like to assure you that my delegation is ready to engage constructively in discussions on any issues with a view to having a fruitful outcome at MC11.

30. Bolivarian Republic of Venezuela

We have seen many proposals and meetings in recent months, which, in the opinion of our delegation, have been very useful in providing a better understanding of Members' positions on a range of issues.

We are nevertheless greatly concerned that, with the Ministerial only a few months away, efforts are being diverted to issues on which there is no negotiating mandate or to proposals which overstep the existing mandate, putting what we should really be focusing on the back burner.

In light of the above, the Bolivarian Republic of Venezuela considers it necessary to remind Members that the path that we are following is not in line with the instructions received from our Ministers in Nairobi.

Reaffirmation of the Doha Development mandate should serve as a starting point for all progress in our work, as was recognized by our Ministers in paragraph 31 of the Nairobi Declaration.

Any discussion of new issues should not be at the expense of the Doha Development Round. The dichotomy described in paragraph 34 of the Nairobi Declaration is, no doubt, slowing down our efforts in view of the Ministerial in Buenos Aires.

The Doha Development Agenda is still unfinished business for this Organization. Therefore, any deliverable on which we manage to reach a consensus at the end of the day should be in line with the DDA, and be truly beneficial for all Members, particularly developing country Members. Instead of focusing on new issues, this Organization needs to translate the commitments already undertaken in Doha into concrete facts.

Agriculture

Agricultural reform is the priority of the DDA. We are concerned that agricultural issues are at a disadvantage in comparison to other issues. We therefore welcome the recent appointment of Ambassador Karau as Chair of the Special Session of the Committee on Agriculture. We are sure that under his leadership, the issue will be brought to the forefront, as it should.

The Nairobi Declaration was clear in giving priority to negotiations on public stockholding for food security purposes and the special safeguard mechanism for developing country Members.

As a member of the G-33, we trust that a special safeguard mechanism can be agreed irrespective of the market access negotiations, in which new commitments cannot be undertaken until the existing trade distortions have been corrected.

With regard to public stocking for food security purposes, we call for an outcome that goes beyond the peace clause, for the expansion of the programme to new programmes and for more products

for all the developing countries. On the basis of the development dimension, which should guide our decisions, we need to find a permanent solution that benefits all the developing country Members, regardless of whether or not the food stock programmes are being implemented or the right to use these programmes is conditional.

We do not agree with limiting the political space of developing countries in the domestic support discussions. Developing countries need to invest more in agriculture and therefore need to protect their political spaces. Revision 4 of the text on agricultural modalities contains issues relating to development on which significant progress has already been made, such as domestic support. In fact, many of these issues have already been stabilized.

Fisheries Subsidies

As to the issue of fisheries subsidies, we recognize the valuable exchange of ideas that has been taking place. Our country is committed to this exercise as long as disciplines primarily focus on subsidies provided to large scale commercial or industrial fishing and subsidies to fishing activities outside of Members' maritime jurisdictions. However, while we recognize that we are making progress at a decent pace, we believe that there are many issues that require further examination and which, due to their strategic nature, should not be rushed.

Services

We reiterate that Venezuela is not demanding domestic regulation. We believe that this issue places an additional burden on developing countries and might undermine the political spaces necessary for development policies. We therefore believe that in order to make headway on this issue, we need to incorporate safeguard and special and differential treatment elements. As to the services facilitation proposal, we believe that it oversteps the existing mandate.

E-Commerce

We also believe that the proposals overstep the existing mandate. As to investment facilitation, there is no balance between the Doha Round areas of negotiation, as set out paragraphs 30 and 31 of the Nairobi Declaration.

I would like to reiterate the commitment of the Bolivarian Republic of Venezuela to the multilateral trading system, which is the most appropriate way to correct, in a concerted manner, the existing imbalances in world markets so that trade can truly be an instrument for the development of all peoples. We are therefore prepared to work tirelessly to achieve what is viable for the Ministerial in Buenos Aires, with development as our objective, the existing mandates as our tool and balance and transparency as our procedure, in a rational and objective manner, bearing in mind the difference between expectations and reality, to which we referred at the last meeting.

31. Zimbabwe

My delegation associates itself with the statements made by African, ACP, C4 and G33 groups.

Time is not on our side and there is still a lot to be done before MC11. We therefore need to start engaging constructively and work towards completion of our negotiations here in Geneva.

We would like to underscore and reiterate that we need to work in line with the mandate from the Nairobi Ministerial Conference and prioritise the remaining issues of the DDA. Our main concern is that there is no balance between work on the DDA issues of interest to us specifically, agriculture and other areas of work and this needs to be redressed in order to have commercially meaningful and balanced outcomes at MC11.

Agriculture

Agriculture should set the level of ambition of our work. We need to address the imbalances in the Agreement on Agriculture. To this end, there should be a substantial reduction in trade distorting domestic support, including cotton.

In line with the Bali and Nairobi Ministerial mandates we should work towards an outcome on a permanent solution on Public Stockholding for Food Security Purposes. Effective and simple to use Special Safeguard Measures to protect our farmers against import surges are long overdue. We therefore need to work on the basis of the G33 proposal and bring up constructive ideas on what type of safeguards we can accommodate and thus move the process forward.

Development

Development should remain central to all outcomes of the negotiations. Furthermore, the outcome on Special and Differential Treatment proposals should fulfil the mandate in paragraph 44 of the Doha Declaration as well as promote our industrialization strategies.

E-Commerce and Digital Trade

We embrace developments in this area as this is our future industrial revolution and we welcome discussions on this based on the current mandate, noting that we do not have any mandate on e-commerce rules.

Rules on e-commerce will impinge on our policy space to industrialize, including future efforts to digitally industrialize. Our delegation is not e-commerce ready because of the digital divide resulting from the knowledge gap, inadequate connectivity, lack of infrastructure, electricity and appropriate legislation. There is still much for us to learn and understand about e-commerce and digital trade.

It is therefore logical, that we continue with our work under the work program on e-commerce and seek ways to bridge this divide in order to give developing countries the opportunity to participate and benefit from the fast developing digital trade and internet of things.

Domestic Regulation

We are not demandeurs of this and we are concerned that the proposals on the table go beyond the GATS mandate and the scope of WTO work, and will also intrude into our domestic processes. Some of the proposals are not practical and will also result in burdensome transparency obligations for our country.

MSMEs and Investment Facilitation

We are not supportive of this because these are new issues. In this regard, we recall paragraph 34 of the Nairobi Ministerial Conference which calls for consensus for rule-making of such issues. We therefore do not have any mandate to discuss these issues. Investment is a Singapore issue which cannot be discussed before the DDA is concluded, in line with paragraph 1g of the 2004 July Framework. Furthermore, we do not understand the objective or the problems to be addressed by such rules.

Zimbabwe reaffirms its commitments to engage constructively in all areas of our work as we move towards MC11 and implore others to do so in order to achieve balanced outcomes.

32. Solomon Islands

This statement is in support of the Statements made by the LDC and the ACP Groups.

Solomon Islands is an LDC and looks forward to achieving meaningful outcomes at the Eleventh Ministerial Conference in Buenos Aires in December. In this regard, meaningful outcomes would only be achieved if development is an integral part of these outcomes.

Fisheries Subsidies

Solomon Islands underlines the critical importance of the fisheries sector to its economy, to its livelihood security and sustainable development. Solomon Islands therefore supports a multilateral outcome on fisheries subsidies, which should not be linked to other pillars in the Rules negotiations and welcomes the intensification of discussions in the NGR. An outcome on fisheries subsidies should address subsidies to IUU and overfished stocks as a priority. Beyond these two, disciplines

on subsidies to overcapacity and overfishing should provide for appropriate and effective special and differential treatment for developing and least developed countries which should be an integral part of any agreement reached on fisheries subsidies, as required by the Doha (2001 and Hong Kong (2006) mandates and the SDG 14.6 (2015). Effective S&D for Solomon Islands would mean providing for the required policy space to small island LDCs to develop its fisheries sector, appropriate transition periods and technical assistance and capacity building.

Development

Solomon Islands supports effective flexibilities in the WTO rules to strengthen its trade capacity, and support its economic diversification and transformation.

MC11 is only 7 months away and as we advance the preparations for MC11 in the remaining months, Solomon Islands would like to stress the importance of ensuring a transparent and inclusive process that enables small LDCs to participate actively.

33. Tunisia

We cannot but acknowledge the slow pace of the negotiations and the absence of any clear guidelines as regards their content, with the Buenos Aires Conference only a few months off. We have to recognize that this is partly due to the enormous challenges facing our countries, in particular the developing countries, in building up our trade and generating the expected growth.

Tunisia has always advocated a fair and balanced outcome of the trade negotiations, an outcome that meets the aspirations of all Members while focusing particularly on the development dimension and ensuring that the developing countries in particular the LDCs are not marginalized.

We continue to assess the results of all trade negotiations on the basis of the real opportunities they provide for developing countries to benefit from the multilateral trading system.

Having said this, we see no reason why we shouldn't be capable of achieving significant results at the next Ministerial Conference in areas where conditions could be favourable, such as domestic support in agriculture, and above all, fisheries subsidies.

Agriculture

As regards reviving the agriculture negotiations, and domestic support, we believe that net food-importing developing countries and LDCs need to be exempted from any commitment to reduce their AMS. We would also like to see greater attention given to the net food-importing developing countries and LDCs and to ensure that they receive the treatment they need to develop modalities that take account of their specificity. This is in line with paragraph 25 of the Nairobi Declaration.

NAMA

We believe that it is essential to maintain adequate flexibilities for the developing countries, which means that less-than-full reciprocity and the thorny issue of tariff preference erosion need to be dealt with properly during our future work and consultations. It is vital that nothing should affect the policy space that a number of developing countries have when formulating and implementing their economic and social development policies, particularly in the case of infant industries.

Services

We are in favour of progressive liberalization in accordance with the relevant provisions of the WTO Agreement on Trade in Services, as well as the granting of appropriate flexibilities to developing countries, taking into account the sectors of export interest to those countries.

Rules

We support the acceleration of negotiations aimed at prohibiting certain forms of fisheries subsidies that contribute to overcapacity and overfishing. At the same time, it is crucial to grant appropriate special and differential treatment that takes account of the major importance of the fisheries sector for the developing countries in terms of job creation and food security.

Finally, let me make it clear that we continue to stress the need to preserve the WTO as an international organization that upholds multilateralism and ensures the promotion of trade in the interest of all, without marginalizing any category of country. We hope that the negotiations leading up to MC11 will continue in that spirit.

Let me end my statement by endorsing the statement made by Rwanda on behalf of the African Group.

34. Paraguay

Since Nairobi, my delegation has been active in various negotiating areas with an open, realistic and constructive approach, because Paraguay has great interest in strengthening the multilateral system, especially its negotiating pillar.

Regarding our way forward to Buenos Aires, we support the intensification of work on specific issues that will constitute the final package. In this package, we hope to find topics requiring a final decision in Buenos Aires, but we also should use this Ministerial as a platform from where we could take an updated and enhanced WTO agenda, with incremental progress on new issues.

We must keep delivering outcomes and strengthen the commitments to pursue reforms in agriculture. This pillar continues lagging in term of trade liberalization. The treatment of agricultural products in Members' schedules have big imbalances comparing to industrial goods, imbalances between Members, and even a single Member schedule may include a wide range of protection. A lot of overhang exists in relation to apply policies.

A correct framework for delivering steps and for continuing our work in the future must be agreed in the Buenos Aires Ministerial. We will continue our contribution for outcomes in market access, domestic support and other issues in the agenda of agriculture. We believe we may advance, and there is scope to agreed reforms in domestic support, to achieve some improvement regarding tariff simplification, peaks and escalation. We want certainty that the reforms in Market Access, domestic support will continue after Buenos Aires.

In e-commerce, Paraguay is interested in having a more substantive result than in previous occasions. We've been having more dynamic debates within the framework of the Work Programme and this is much welcome. Paraguay will continue to support this subject with the submission of new documents before the summer break.

We have cosponsored a document to strengthen dialogues on Micro, Small, medium enterprises that will be addressed in the next General Council. As it is stated in the document, the initiative may help MSME to engage more in export and import activities by addressing issues related to insufficient access to information; technical regulations; high transportation/shipping and other costs related to logistics; limited access to trade finance; digital connectivity and technological development.

We are also supportive of the idea that the WTO should play a role in investment. One of the key message we took from the MIKTA seminar is that "trade is investment and investment is trade". MERCOSUR Members adopted recently in Buenos Aires a Protocol of Cooperation in Investment Facilitation. We hope to replicate this in the WTO context at the end of the year.

We are aware of possible progress on services, fisheries subsidies, cotton, sanitary and phytosanitary issues, LDC priorities, among other things. We have a positive and constructive approach on these areas and hope that they will also contribute to reinforce and update the WTO agenda, which is a healthy sign vis-à-vis the international trade community.

35. Fiji

Fiji wishes to reiterate its commitment towards the WTO's multilateral trading system. As the membership is working towards outcomes for MC11, Fiji wishes to join other Members in supporting that the conclusion of existing Doha issues, including Agriculture, Fisheries and Special and Differential Treatment, prior to others. Development outcomes have to be at the centre of these negotiations.

In addition, Fiji also wishes to underscore para. 34 of the Nairobi Ministerial declaration and that any decision to launch negotiations multilaterally on new issues would need to be agreed by all Members.

Fiji remains committed to engaging with Members on existing Doha issues under the multilateral format and will contribute constructively towards development-friendly outcomes for MC11.

36. South Africa

We associate ourselves with the statements made by Rwanda for the African Group and by Guyana for the ACP.

We will make three sets of brief comments. First, we are fast approaching the time when Members will have to make a serious assessment of what, if anything can be delivered at MC11. Although we have seen an intensification of discussion on a range of issues, the essential difficulties that have plagued our negotiations have not disappeared. In fact, in some respects, the prospect for delivering outcomes at MC11 is becoming more difficult: Time is not on our side.

Second, as we have said previously, divergences amongst Members remain in respect to the negotiating mandate: Many of us reaffirm the Doha development mandate and others, who call for new approaches, have not yet proposed any agreed alternative. The notion of an 'incremental approach' to advance negotiations does not itself offer a way out, as that does not constitute an agreed mandate.

Indeed, while there are many issues on the table with different degrees of support, it is also very clear that there is no unanimity on any. Members have different priorities and sensitivities, and they draw linkages in different ways. With respect to non-Doha issues proposed by some, the situation is no different. It is difficult, if not impossible, to see a consensus emerging amongst Members to even discuss any new issue, so long as we are unable to discern meaningful advances on longstanding issues of core interest, notably in agriculture.

Third, as we have indicated, South Africa is prepared to continue to examine e-commerce in the WTO within the existing non-negotiating mandate. Many of us are only starting to assess the profound changes and disruptive implications of the digital and technological transformation now underway. E-commerce is integral to this wider transformation and is evolving rapidly - but unevenly. Data shows a high concentration amongst a few economies, a persistence of the deep and wide 'digital divide', and that countries and firms are at very different degrees of e-commerce readiness. We need a shared understanding of the full range of measures that are required to spread e-commerce capabilities more evenly and to ensure greater inclusivity and equity. Until then, talk of multilateral rule making would be entirely premature.

We conclude where we started. Members will very soon have to seriously consider what can realistically be delivered at MC11 both in terms of issues and levels of ambition. All this must be undertaken in a process that is transparent and inclusive and that takes all Members' interests, capabilities and sensitivities fully into account.

37. Morocco

Morocco supports the statement made by Rwanda on behalf of the African Group.

If our discussions here are to lead to any significant results in the current context of uncertainty, the negotiating process must be prioritized and cumulative, and must rely on a solid and unified impetus from the Doha Development Agenda, the Agreement on Trade Facilitation and the TRIPS⁶ Agreement.

World trade cannot prosper if the least developed countries (LDCs) are left behind or the developing countries confronted with excessive requirements in the infant sectors without having access to significant and sufficient technical assistance and technology transfer.

⁶ Agreement on Trade-Related Aspects of Intellectual Property Rights.

Moreover, if we are to consolidate our gains in the multilateral system, we must inject fresh energy into our discussions and progress beyond our conventional positions. To a certain extent, however, this will depend on our ability to ensure that all Members acquire a better understanding and mastery of a number of topics, such as e-commerce.

In this connection, Morocco would like to thank all of the delegations that have shown solidarity and creativity, particularly when it comes to sharing experiences and communicating with a view to achieving and consolidating convergence.

The challenge before us is to agree on collective and fair commitments and turn them into promising opportunities for the populations of all Members.

Morocco has high hopes in this critical phase leading up to the third informal Ministerial Meeting to be hosted in Marrakesh next October in preparation for MC11 in Buenos Aires.

38. United States

I would like to refer to the statement that my delegation delivered at the previous Heads of Delegation meeting on February 23. That statement continues to reflect our views at this time. The views that we previously expressed with regard to expectations for MC11 have only been reinforced over the past two months during which there has been no apparent evidence of convergence on possible negotiated outcomes.

39. Cameroon

We support the statements made by Rwanda on behalf of the African Group and by Guyana on behalf of the ACP Group.

We also endorse the statements made by Zimbabwe and South Africa but I shall not elaborate on the issues they addressed.

We support Venezuela's statement as well as that of India, specifically as regards abiding by the mandate. This is a point on which my delegation's position has remained unchanged and has been repeatedly stated. If we submit topics or elements of text for which we have no clear mandate, we will only be wasting the precious time that we sorely need in order to move forward in negotiating the agreed topics. The proposal on trade facilitation in services is among those texts on which my delegation has commented very precisely. We are ready to talk about anything as long as the discussions abide by the rules.

On a different subject, certain Members would like to see delegations direct their commitment towards moving the negotiations forward rather than blocking them. In this connection, my delegation would like to point out that the best way of moving the negotiations forward is to abide by the rules underlying the structure and framework of those negotiations. A careful reading of the Trade Facilitation Agreement – which we all welcome – clearly shows that the text forms part of a coherent process that abides by the rules. In any case, it is in that spirit that Members adopted it.

Finally, my delegation would appreciate clarification from you, Mr Director-General, on a legal and procedural matter. In your introductory remarks, you referred to the General Council meeting and said that today's discussion would be under Agenda Item 1 of that meeting, as indicated in the Airgram convening the meeting. In fact, you plainly stated that there would be no exceptions as regards taking the floor during this meeting or during the discussions on this item. This leads us to believe that the Heads of Delegation consultation process in Room W, which is an informal process whose legal status remains to be determined, has an authority that could undermine Members' right to express themselves freely at a meeting of the General Council, which remains the most important WTO body apart from the Ministerial. In view of these considerations, could you provide us with clarifications as regards the status of the Room W consultation process in connection with the Trade Negotiations Committee, which has not had any meetings in the framework of that body for some time now? My delegation asks that this statement, together with the Director-General's clarification, be included in the minutes of the General Council and the TNC.

40. Colombia

Thus far, in the opinion of my country, a constructive process has been under way, in which a growing disposition and willingness to consider new approaches can be seen. It is important for us to maintain and foster this spirit, as the Ministerial Conference in Buenos Aires is approaching and we all have the shared objective of taking advantage of this meeting to convey the strength and relevance of the multilateral trading system.

Agriculture

First of all, we would like to highlight the efforts made and the progress that can be seen from the report presented by the new Chair of the Special Session of the Committee on Agriculture. Colombia, like many other countries, attaches great importance to the outcomes in agriculture, particularly in the area of domestic support, and is ready to continue participating in a constructive manner in the informal meetings scheduled for early June. We need to be more active in studying various alternatives and involving our capitals so that they help us to examine possible solutions. It is time to consolidate proposals and to consider the measures needed to achieve concrete results in Buenos Aires. Colombia will continue, as it has done in past, to actively participate with other proponents of this issue at the table and to seek an outcome, which is crucial for the success of the next Ministerial.

Rules

We thank the negotiating group chair for the efforts made to make progress on the proposals put forward. Colombia, along with other Latin American countries, has been actively participating, supporting proposals that seek to discipline the harmful subsidies related to illegal fishing, overfishing and overcapacity, as well as the subsidies which have an impact on deep-sea fishing and overfishing and the subsidies which enable some Members to maintain their overcapacity. We have also highlighted the importance of taking into account special and differential treatment for the least developed countries, proposing an agreement architecture that follows the principles of the Trade Facilitation Agreement. An outcome on this matter will be of the utmost importance as a sign of this Organization's commitment to the objectives prioritized by our Heads of State.

Services

Colombia acknowledges the interest and efforts undertaken by a large number of Members, including our country, to deepen the discussions on domestic regulation which are being held in the relevant working group. In particular, we welcome the presentation of most of the aspects necessary for a comprehensive negotiation proposal, including "administrative measures", "development of measures", "transparency" and "technical standards". The inclusion of the development dimension is nevertheless still necessary. Once again, we would like to express our willingness to work on specific proposals with a view to finding an appropriate balance in the provisions. In our opinion, an outcome on domestic regulation on services, combined with the previously mentioned outcomes on agriculture and fisheries subsidies, would generate beneficial and balanced results for the entire Membership in the context of the Eleventh Ministerial.

E-Commerce

Our delegation associates itself with the statement made by Costa Rica on behalf of the Friends of E-commerce for Development. Colombia will continue to work constructively in collaboration with this group of countries in order to deepen understanding of how e-commerce offers a concrete tool for promoting inclusive development and, in particular, enables SMEs to integrate themselves into the global economy, facilitating their growth.

41. Uruguay

Uruguay sees Buenos Aires as an opportunity. Our country is hoping for a significant, albeit not spectacular, threefold outcome in agriculture:

- a substantial reduction in domestic support;
- an outcome in agricultural market access that has an impact on trade; and
- a considerable improvement in respect of transparency mechanisms.

Uruguay is not in favour of the introduction of potentially trade-restrictive tools or measures. Reality will show that this will not lead to a level playing field, rather to a weakening of the existing set of disciplines in agriculture.

We believe that the current preparations for Buenos Aires do have positive elements, as we have been informed, but sense that there is a risk of this process becoming confusing, which must be avoided.

The WTO and the multilateral system are vital to all Members and must be safeguarded, developed and updated to keep pace with the changing times and new issues on pain of being left lagging behind. Buenos Aires affords us an opportunity to make up for lost time and perhaps to establish clear-cut work programmes in newer areas, such as fisheries subsidies and electronic commerce.

42. Canada

Canada's objectives and priorities have not changed, so I will not dwell on long-held positions but merely highlight them.

Agricultural domestic support and unfinished business in export competition remain key priorities for Canada. We are ready to engage on these and other areas of interest to other members in the agriculture negotiations.

DSU Review is another area where we need to re-invigorate our negotiations to address some of the elements that are causing our current workload issues.

Advances in Services areas such as domestic regulation, including Canada's recent proposal on gender equality, are important areas where we see good chances of progress.

In Rules, we are actively participating in the very encouraging fisheries subsidy discipline discussions. Given the increased impetus brought by the SDGs, we are hopefully for a substantive result in this area in time for MC11. We are also open to discussions on other Rules areas such as China's trade remedies proposal, but we do not believe that progress in one area should be linked to progress in other areas.

We also see e-commerce as an area ripe for deepened discussions and we are encouraged by the level of engagement by developed and developing countries alike. We also see this as an area where substantive advances could be made by MC11.

Canada is committed to advancing the integration of all stakeholders in the multilateral trading system, particularly MSMEs - these enterprises are an important component of all of our economies. We will actively participate in discussions to determine what can be done in this Organization to assist SMEs MSMEs to advance their trading interests. In this regard, one concrete step that all members could take is to fully implement the TFA as soon as possible.

Canada is also interested in starting discussions on investment facilitation. We understand this to be a discussion on what might help to facilitate the attraction and retention of investment, which is an important driver of sustainable development. In this light, we feel that it is incumbent upon us to at least explore what might be done within the WTO in this area.

Along with these multilateral areas, Canada is also participating in, and indeed chairing, the plurilateral discussions on disciplining fisheries subsidies. We have had good discussions on the issue of addressing subsidies to IUU fishing and overfishing situations. These efforts are not in competition with the Rules Group discussions and we all hope that progress there will make our plurilateral discussions redundant. We have had and are currently having discussions that we hope will complement the discussions under Ambassador McCook's chairmanship in the NGR.

In conclusion, Canada is looking forward to increased engagement in all relevant negotiating areas and we are heartened by the promise of further text-based proposals as we collectively head toward what we hope will be a successful ministerial conference in Buenos Aires.

43. Norway

This has been a sobering day with very wide divergences that it will require lots of hard work to reconcile but we must not let ourselves be paralyzed by uncertainty.

We must continue our work to demonstrate the importance we attach to the Multilateral Trading System, by making Buenos Aires as successful as possible and by providing further guidance for our work in the WTO beyond MC11.

We need to look for ways to capture incremental progress in various areas of the negotiations, but we should also strive to make substantive progress at MC11 where that is possible. We should deal with each issue on its own merits; fisheries subsidies, domestic support, public stockholding and domestic regulations.

As always development and in particular the interests and needs of the LDCs will have to be central in all our discussions.

In addition in Buenos Aires ministers will hopefully as a minimum provide further guidance on future work on both e-commerce and investment facilitation.

We need to keep up our work in Geneva. It is perhaps more than ever before a need for pragmatism and creativity.

Political engagement will indeed be crucial in order to find the right balance between old and new issues in the preparations for Buenos Aires.

And this is extremely important: we need to have realistic expectations, and should well in advance of departing to Buenos Aires check that all Members are more or less on the same page in this regard. That will be essential to maintain the crucial role of the WTO and the Multilateral Trading System going forward.

44. Nigeria

At the outset, our delegation associates itself with the statements delivered by Rwanda, on behalf of the African Group; Guyana, on behalf of the ACP Group; Indonesia, on behalf of the G-33; and Mali, on behalf of the C-4. Also, our delegation would like to thank the Director-General, for the comprehensive report, on the state-of-play, and the subsequent assessment. We note with encouragement the increased activity and the level of engagement in Geneva. We are also grateful to the Chairs of the Negotiating Groups, for the hard work and the updates provided to us, on their respective consultations. As the discussions evolve, and in the light of the ongoing consultations in our capital, we wish to briefly highlight the following, as we approach MC11:

First, we note the intensification of work as reported by the DG and the Chairs of the Negotiating Groups, and would like to underscore the importance of sustaining the momentum, without backtracking.

Second, outcomes in agriculture, as the centre piece of the Doha Round, across the three pillars, are essential, especially to correct the existing imbalances, including trade distorting domestic support. Therefore, 2008 Rev.4 Draft modalities should be the basis for our engagement. In this regard, we welcome with relief, the appointment of Ambassador Dr. Stephen Karau of Kenya, as the new Chair of the Committee on Agriculture, Special Session. . We wish to assure him of our full support, in the difficult, but not insurmountable task ahead.

Third, development, cotton and LDCs issues must remain central in our work. Special and Differential treatment must be integral part of the various pillars under negotiations and should not be seen as concession or measures against overall balance.

Fourth, the process of progressive liberalization in services, and future discipline on domestic regulations, should be consistent with GATS Article VI.4, and should also recognize and accord due respect for national aspiration, level of development, and the size of the economy of individual members. In this regard, we need an appropriate balance between ensuring transparency and

predictability of our regulatory regime, and the right to regulate, including introducing new regulations so as to fulfil national policy objectives.

Fifth, the Rules negotiation on fisheries subsidies constitutes a central element of the development component of the Doha Round, given the critical importance of the sector to poverty reduction, livelihood and food concerns of developing countries. In this regard, we support the call for urgent prohibition of subsidies to IUU fishing, including fishing of overstocked stocks, while recognizing the legitimate interests and rights of developing countries at MC11, consistent with SDG 14.6 goal.

Sixth, as regards MC11, we expect full commitment to delivering on Bali and Nairobi mandates. We also expect, and urge all Members to show the required flexibilities, and political will, needed to achieve consensus at MC11. Therefore, a permanent solution on public stockholding and special safeguard mechanism (SSM) must be addressed as a matter of priority, as mandated.

Seventh, we support the statement delivered by Ambassador Alvaro Cedeno of Costa Rica, on behalf of Friends of e-commerce for Development (FED), and welcome the FED's roadmap, as a basis for our continued dialogue. As a proponent, our perspective on e-commerce, is that of opportunities for businesses, especially for micro, small and medium enterprises (MSMEs), while also recognizing the important challenges, such as logistics and infrastructure, which must be addressed. In this regard, Nigeria will continue to engage proactively with the expectation of concrete deliverables at MC11, beyond the traditional extension of the moratorium.

Eight, we support the joint initiative led by China, on investment facilitation for development. Investment attraction and facilitation are key priorities for Nigeria, for growth and diversification. However, the dialogue on this topic, should be designed and managed in such a way that is open and engages all WTO Members, and without prejudice to the final outcomes. Therefore, Nigeria wishes to express its support and willingness to work cooperatively with other members to deepen the technical discussions, and to explore the possibility of a future role for the WTO in this area. This initiative is considered as supportive of Nigeria's overall priority push for economic recovery, an enabling environment for business. There is the need, to create a framework, in which members will be comfortable to take this initiative forward, and building consensus will be crucial, given the growing relevance of this subject. On MSMEs, we support the ongoing dialogue led by Philippines and others. Our objective is to facilitate and sustain a vibrant MSMEs sub-sector that will be a driver of national economic growth and employment. In this regard, we would like to acknowledge the importance of having an informal dialogue to facilitate the participation of MSMEs in global trade and also to ensure they derive maximum benefits accruable therefrom.

Ninth, regarding process, the process guiding our work, as we approach MC11, must be credible, transparent, inclusive and bottom-up. In addition, development must be central, including necessary flexibilities and sensitivities to the concerns of the LDCs, SVEs and Developing countries, including Nigeria, given our current exceptional situation, even as we remain an open economy.

Finally, we must redouble our efforts to ensure that the WTO is responsive to the needs of the entire membership, and of an evolving global economy. Permit me to reiterate Chair, that Nigeria, is implementing a bold plan for structural transformation to industrialize as well as diversify its economy. The "Smart Nigeria Digital economy Project", is Nigeria's response to an area of intense economy and technological activity by Nigerian youths, where there is a growing pool of talent. Therefore, it is our collective responsibility to ensure that trade rules contributes to narrowing the digital divide as well as enable our MSMEs to be globally competitive by facilitating their participation in global trade.

Nigeria remains willing and committed to working closely with all Members, towards advancing the negotiating agenda, particularly, for the successful and meaningful outcomes at MC11.

45. Kingdom of Saudi Arabia (Arab Group)

We believe that now is the time to have frank discussions to reach at a common understanding of the issues where we can have deliverables at MC11. We should capitalize on the positive momentum and build on the success of the Bali and Nairobi Ministerial Conferences.

Our future work should be guided by the Decisions adopted in the previous Ministerial Conferences and maintain development at the heart of our negotiations.

Our priority maybe is different, nine countries in the Arab region are not members of the WTO and we have some members in the pipeline of the accession to the WTO. We are hoping to speed up the negotiating and to see some of the members within the conclusion of the MC11 and this defiantly will strengthen the stability and prosperity of the region.

Finally, the Arab Group reiterates its commitment to the Multilateral Trading System and remains ready to engage constructively in the work ahead.

46. Kenya

We wish to associates ourselves with the statements made by Guyana on behalf of the ACP, Rwanda on behalf of the African Group, and Indonesia on behalf of the G33.

We appreciate for the engagement that we have had so far in different configurations. We have witnessed the submission of new proposals in some areas which have facilitated our discussions on the possible package for MC11. We need therefore to move quickly in identifying a possible package for MC11 before summer break.

Some of the lessons learned from Bali and Nairobi are that we can still achieve outcomes on incremental basis. In this regard, the agenda for MC11 should not be overloaded. Also, as we work towards MC11, we should avoid creating linkages so that progress on various issues can advance on their own merit. This will enable us to conclude those issues that would have attracted substantial progress while at the same time we continue to advance the negotiations on the remaining issues.

We must now focus on tangible outcomes with strong development content between now and MC11 in Buenos Aires. Core principles of special and special differential treatment, and less than full reciprocity should remain fundamental in our work.

In Nairobi, the Ministers provided political guidance on how to accelerate discussions on of some of issues of interest to developing countries. For instance, it was agreed that negotiations on Special Safeguard Mechanism (SSM) for developing countries and Public Stockholding for Food Security should be held in dedicated sessions, and the General Council to regularly review the progress. It is important therefore that Members show flexibility in the discussions in dedicated sessions so that we reach agreement on these two issues by MC11.

Farm subsidies have continued to cause trade distortions in world markets for agricultural products and thereby denying trading opportunities to farmers from poor countries. From a development perspective, substantial reduction of domestic support must remain a priority for MC11. Substantial reduction of trade distorting domestic support is therefore necessary in order to achieve the long-term objective of progressive reductions in support and protection as envisaged in the WTO Agreement on Agriculture.

Establishing disciplines on fisheries subsidies is also a priority for Kenya. This issue has attracted proposals from developed and many developing countries in support of banning illegal, unregulated and unreported (IUU) fishing as well as disciplining subsidies that contribute to overcapacity and overfishing. The figures on illegal fishing are very worrying. The UN estimates that illegal fishing strips the global economy of more than US\$23 billion every year. Illegal fishing has been responsible for draining of revenue, overfishing and harming marine environment. It therefore destroys local communities, who rely on fishing for livelihood and food security. The WTO therefore must be part of the global efforts in combating illegal fishing and overfishing.

In terms of process, we are also looking forward to having a process that is transparent and inclusive – a process that is progressive and interactive and which allows Members to monitor the progress in various groups and bodies and also which provides the opportunity to seek compromises whenever they are required.

In conclusion, Kenya would like to assure the Director-General of our support. We are confident in your leadership and that of the Chairs of the Negotiating Groups to advance our work in order have a successful and meaningful outcome at MC11 in Buenos Aires.
