



**General Council
1-2 and 4 March 2021**

MINUTES OF MEETING

HELD IN VIRTUAL FORMAT ON 1-2 AND 4 MARCH 2021

Chairperson: H.E. Dr. David Walker (New Zealand)

The Chairman welcomed Dr. Ngozi Okonjo-Iweala to her first meeting of the General Council as Director-General upon assuming office on 1 March 2021. Dr. Ngozi Okonjo-Iweala addressed¹ the General Council at the beginning of the meeting.

The Chairman bade farewell to H.E. Mr. Julian Braithwaite (United Kingdom) and expressed appreciation for his valuable contribution during his time as Permanent Representative.

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¹ The Director-General's full statement can be found in Annex 1 of this document.

² The proposed agenda was circulated in document WT/GC/W/820.

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1 REPORT ON INFORMAL TNC AND INFORMAL HODS MEETINGS

1.1. The Chairman recalled that the Informal TNC and Informal Heads of Delegation meetings had been convened on 25 February by the four Deputy Directors-General in coordination with him as General Council Chairman. DDG Wolff, representing all DDGs, had chaired the meeting and had provided a report on recent activities – in line with the interim arrangement which had been agreed at the July 2020 meeting of the General Council. The Chairs of 4 Negotiating Bodies had made reports on progress in their respective areas, and 56 delegations had taken the floor.

1.2. As per past practice and as also indicated on 25 February, the report of the Deputy Director-General and the reports of the Chairs of negotiating bodies would be included in the minutes of the General Council meeting. Statements delivered by delegations would also be included in the minutes, unless indicated otherwise. As also announced on 25 February, under the item, DDG Wolff intended to provide a brief report of the discussion that had taken place at the HODs/TNC meeting.

1.3. Deputy Director-General Alan Wolff, representing all DDGs, welcomed the Director-General, Dr. Ngozi Okonjo-Iweala. The Deputy Directors-General and the Secretariat were pleased that she had assumed office that day as WTO Director-General. They foresaw a positive future for the WTO under her forthright and firm leadership in the years ahead. Turning to his report under that agenda item, in accordance with the interim arrangements put in place by the General Council, he had chaired the first Informal TNC and Informal HODs meetings of 2021 on 25 February. The meeting had been an opportunity for Members to take stock of what had been accomplished over the past six months, and to update each other on their recent activities.

1.4. Four Chairs of Negotiating Bodies had reported in detail on their work since the start of the year. Coordinators of Joint Statement Initiatives had also spoken to inform Members of their activities. On behalf of the DDGs, he had provided an overview of Secretariat activities, had described outreach activities by the DDGs since the previous meeting and had noted the impressively large number of Member meetings held in accordance with appropriate health precautions and most recently not in-person. His statement and the Chairs' reports had been circulated to TNC participants in document JOB/TNC/90.

1.5. Fifty-six delegations had taken the floor to express views on a range of issues. Enthusiasm and optimism about the "Ngozi Okonjo-Iweala Era" had been evident from all statements. Delegations had said that they looked forward to working with Dr. Ngozi to deliver much-needed reforms to the WTO – starting with an agreement on fisheries subsidies as soon as possible. Solid accomplishments in 2021 leading up to the scheduled Ministerial Conference had been repeatedly mentioned. He had urged Members to translate their enthusiasm, optimism and hope into concrete action at the WTO to enhance global trade's contribution to a more effective pandemic response as well as a strong and sustainable economic recovery.

1.6. The new year held great promise for the WTO and the multilateral system. Turning that promise into reality rested in the hands of the Members. Members looked to the Director-General to facilitate the reaching of agreements. While the work of the four DDGs under the interim arrangements had ended midnight the previous day – they remained at the disposal of Dr. Ngozi to assist her as she settled-in and to support the Members in their work.

1.7. On the first day of the new leadership, he thanked the Members for their support during the last six months of the interim arrangement. He recognized in particular the Chairs of the Committees, and other activities of the WTO starting with the General Council Chair and his two facilitators, Ambassador Castillo and Ambassador Aspelund. They could have stopped short of fulfilling their mandate when faced with opposition but they had not. The Chairs of the Committees and Working Parties and the Coordinators of the JSIs also deserved their thanks and respect. They recognized the impartiality expected with respect to taking sides when there were Member differences but never impartiality with respect to reaching a positive result in their work. As the Director-General had said, whether the WTO fulfilled its mission was in the hands of the Members and the Secretariat. It was a challenge that could be met successfully with common will and investment of the necessary effort.

1.8. The Chairman thanked the Deputy Directors-General for their sentiments. On behalf of the Membership, he thanked DDG Wolff and through him also DDG Agah, DDG Brauner and DDG Yi for the leadership and resolve that they had shown in steering the Secretariat successfully through the interim arrangement to the point where they then had a new Director-General with them that day.

1.9. The representative of Burkina Faso, on behalf of the C-4 and the 36 African Country Cotton and Cotton Product Producers and/or Exporters, associated with the statements by the LDC Group, the African Group, the ACP Group and the G-90. The session of the General Council was taking place against a mixed backdrop. While the COVID-19 pandemic had exacerbated the many difficulties that had plagued WTO negotiations for years, they welcomed the appointment of Dr. Ngozi Okonjo-Iweala at the helm of the institution. That was a major step forward and augured well for the future given the paths already mapped out and the fresh impetus that she intended to bring to the governance of the global trading system. The C-4, on the occasion of the first meeting of the General Council, reiterated its warm congratulations and unwavering support for her mandate.

1.10. The C-4 commended the efforts of the Heads of Delegation in conducting the negotiations. Special mention was made of Ambassador Gloria Abraham Peralta (Costa Rica), Chair of the CoA SS, for her leadership and remarkable efforts in conducting the agriculture negotiations in general and the cotton negotiations in particular. While some had welcomed the progress that had been made, the challenges to achieving a mutually satisfactory outcome at the MC12 was much greater. Members should take decisions at the General Council that were commensurate with their ambitions.

1.11. Clearly, expectations were high. Priorities should be defined, including for cotton, if Members were to follow the letter of the Hong Kong Ministerial Declaration of 2005 which called on Members to be more flexible and to address cotton ambitiously, expeditiously and specifically. Reducing or even phasing out domestic support were outcomes that should be pursued at MC12. The C-4 stood ready to engage in constructive discussions with all stakeholders in the negotiations on cotton with a view to reaching a satisfactory outcome. The C-4 was hopeful that the new approach of the CoA SS Chair, based on technical consultations by pillar, including those on cotton facilitated by Brazil, could lead to concrete proposals on which Members could agree.

1.12. Beyond its trade aspects, the cotton sector in the C-4 countries also needed support from development partners especially in the current context of the pandemic which had had a real impact on already weak production capacities. As LDCs, the C-4 did not have sufficient resources to launch a recovery plan for their cotton sector comparable to the packages that could be offered by

developed countries to their agricultural sectors affected by COVID-19. That could exacerbate the imbalances that already existed as a result of trade-distorting domestic support for cotton and cotton by-products.

1.13. The C-4 acknowledged the efforts of those partners who were already providing the group with support to implement its "Cotton Roadmap" in particular EIF, ITC, UNIDO, Deputy Director-General Wolff through the Consultative Framework Mechanism and all bilateral and multilateral partners. In addition to agreeing on an outcome on domestic support for cotton before MC12, the C-4 reiterated its call to all development partners for their continued assistance and support to address the legitimate concerns related to the development aspect of cotton.

1.14. The representative of Barbados welcomed the new Director-General, Dr. Ngozi Okonjo-Iweala, to her first official meeting since she had taken up her new post. Barbados looked forward to benefitting from her wealth of experience, knowledge and vision on taking the WTO upward and onward over the next few years.

1.15. Although Members had intensified discussions on various issues, measured progress had been made. As a small and vulnerable economy dependent on trade particularly on the importation of most of its food and energy and the security of exports, particularly services, for employment and foreign exchange, Barbados was acutely aware of the impact that the COVID-19 pandemic had had and continued to have on growth and economic development prospects.

1.16. Barbados was pleased to be a part of the ACP Group's communication in JOB/SERV/305 which contributed to the discussions in the CTS SS and examined the challenges and opportunities for vulnerable ACP services sectors that had shouldered the burden of the impact of the COVID-19 pandemic. Barbados commended the ACP Group on submitting that communication and looked forward positively in engaging with Members in it in the CTS SS in the next few weeks.

1.17. Barbados continued to be a staunch believer in multilateralism and by extension saw the value in the rules-based multilateral trading system of the WTO. The principles of consensus, inclusivity and fairness were indispensable features of the organization and what permitted its Members to participate in its decision-making function fully as well as guaranteeing that the rights and obligations were not nullified or impaired. Barbados would therefore be concerned if any of those principles were misconstrued or applied in a way that unfairly impacted Members.

1.18. Members should not only be seen as compliers of the rules but also as rule-makers whose interests were incorporated in said rules. Barbados was concerned of any interpretation of the concept of consensus which would seemingly signal that there was agreement on text or concepts where no such agreement existed. In that regard, Barbados called for clear modalities on how consensus was defined and how texts or concepts were viewed as having reached agreements by Members including in the ongoing fisheries subsidies discussions.

1.19. The representative of Tunisia congratulated the new Director-General, Dr. Ngozi Okonjo-Iweala. Her skills and determination would ensure the promotion of the multilateral trading system and would bring a fresh dynamic to the WTO – making sure that it remained an essential pillar of global economic governance. Tunisia was determined to play an active role in the process in ensuring that the WTO had a key role in overcoming social and economic imbalances between countries contributing to wealth and development in the countries of the south.

1.20. In the intensified discussions on the range of issues that needed to be addressed at MC12, for fisheries negotiations, Tunisia thanked Ambassador Wills and Ambassador Chambovey for their tireless efforts. Fisheries remained a key issue. Tunisia had expressed concern that the text should not overlook Members' individual characteristics or the socio-economic consequences of the fisheries sector. The proportion in global fisheries capture was limited in some countries and several Members made great efforts to develop their fleets. But those fleets remained artisanal and small-scale. Ensuring that that was taken into account was key for the viability of the sector. Tunisia therefore supported flexibilities in the negotiating text bearing in mind those specific characteristics.

1.21. On agriculture, Tunisia welcomed the work of the CoA SS Chair and the Facilitators and underscored the importance that it attached to those negotiations being transparent and inclusive – respecting Article 20 of the Agreement on Agriculture and consistent with the Doha mandate. Finding

a solution to the problem of trade distorting domestic support and bringing solutions to developing and LDC Members to achieving their food security objectives.

1.22. On the TRIPS Waiver, like many developing Members, Tunisia had allocated its limited resources to combatting the pandemic. In spite of the regulatory and administrative preparations, Tunisia had yet to begin its vaccination campaign because it had failed to receive vaccines in spite of its considerable efforts and the generosity of some donors. The mechanisms that had been put in place at the international level to deal with difficulties in access to vaccines such as COVAX remained insufficient. The productive capacities and the deliveries were closely linked to intellectual property issues. As a result, they had not been able to meet the demands of many countries. In fact, more than 85% of countries had failed to obtain enough vaccines for its population. That was why Tunisia supported the initiative for a waiver of certain provisions of the TRIPS Agreement. Tunisia hoped that Members would support the Waiver for them to meet those unprecedented challenges together.

1.23. Substantial progress in discussions on JSIs and the efforts of Coordinators should not overlook the fact that they remained informal. Their results should meet the multilateral character of the organization and WTO rules as provided for in the Marrakesh Agreement.

1.24. The representative of the Plurinational State of Bolivia reiterated support to Dr. Ngozi Okonjo-Iweala in her work and believed that the new era that she had ushered in was a historic opportunity to overcome the current standstill and renew the institution which included finding a solution to the Appellate Body impasse by filling the vacancies. Bolivia underscored the importance of guaranteeing swift access to affordable and safe medicines – ensuring that there were no limits to the export of COVID-19 medicines and medical supplies. All Members should be on an equal footing in that regard.

1.25. The representative of Argentina noted that it was the first time the WTO had a woman and an African as Director-General. The decision by Members was a historic moment for the WTO. Argentina hoped that under Dr. Ngozi's strong leadership, Members would achieve more milestones to support the multilateral trading system and their countries. Argentina congratulated Dr. Ngozi, wished her every success and reiterated its willingness to work constructively with her. Argentina also paid tribute to the Troika – Ambassador Walker and his Facilitators – for having effectively steered the process. The four Deputy Directors-General and the Secretariat had also played a role and Argentina congratulated them on their work in overcoming the challenges of the transition period – which had been a difficult one particularly due to the pandemic.

1.26. The representative of Mauritius, on behalf of the African Group, welcomed the new Director-General, Dr. Ngozi Okonjo-Iweala. She said that the African Group had finalized the first pandemic parameters within which it wished to discuss all issues for MC12 under the lens of economic recovery, inclusivity and sustainability. It was within those parameters that the Group would engage in the discussions with a constructive and open mind with a view to finding solutions and a good outcome at MC12. In that context, cotton and TRIPS were important for the Group as were the other issues related to the sustainability agenda. The African Group would remain engaged on all those issues and was open to the suggestion by the Director-General that Members should also engage on the issue of COVID-19 and its impact. The WTO should not in any way be seen as engaging too late and given too little on that issue. The African Group therefore looked forward to discussing that.

1.27. The General Council took note of the report³ of Deputy Director-General Wolff, representing all DDGs, on 25 February, and of the statements that day as well as those delivered at the 25 February Informal TNC and Informal HODs meetings⁴.

³ Deputy Director-General Wolff's report, representing all Deputy Directors-General, (also circulated in document JOB/TNC/90) and the reports of the Chairs of Negotiating Bodies at the 25 February Informal TNC and Informal HODs Meetings are incorporated in the minutes of this meeting and are reproduced in Annex 2 of this document.

⁴ The statements at the 25 February Informal TNC and Informal HODs Meetings by the following delegations are incorporated in the minutes of this meeting and can be found in Annex 3 of this document: Switzerland; Montenegro; Brazil; European Union; Nigeria; Mexico; Morocco; Malaysia; Panama (Article XII Members); China; Norway; Hong Kong, China; Chile (Structured Discussions on Investment Facilitation for Development); Republic of Korea; Chinese Taipei; Iceland (Informal Working Group on Trade and Gender); Argentina; Australia (Joint Statement Initiative on Electronic Commerce); Jamaica (ACP); Egypt; United Kingdom; Japan; Singapore; Bangladesh; Philippines; Paraguay; Canada (Ottawa Group); Nepal; New Zealand; Turkey; Pakistan; Russian Federation; Saint Lucia (CARICOM); Ecuador; Chad (LDCs); Indonesia;

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

2.1. The Chairman recalled⁵ that the item remained on the agenda so that the General Council could continue to follow up, in a horizontal and transparent manner, on the Ministerial decisions adopted in Bali, Nairobi and Buenos Aires. As always, his statement that day was based on the information provided by the Chairs of the regular bodies on the implementation work taking place further to Ministerial mandates in their respective areas – and he took the opportunity to warmly thank them for their cooperation during their tenure that year.

2.2. Starting with Agriculture, as regards the follow-up to the Bali TRQ Decision, the review mandated under the Decision had been concluded with the adoption of the agreed recommendations by the General Council in December 2019. The issue of the future operation of Paragraph 4 of the underfill mechanism had remained outstanding and the deadline for a decision had been extended to the end of 2021. He understood that the Chair of the Committee on Agriculture had already started consultations with Members on the issue.

2.3. On Export Competition, with respect to the implementation of the Nairobi Decision by Members with scheduled export subsidies commitments, the situation was as followed: twelve Members had their revised schedules certified; two Members had circulated draft revised schedules; and two other Members had updated the Committee on Agriculture on the steps taken to implement the Decision. The Chair had also initiated consultations on the second triennial review of the Nairobi Decision to be undertaken by the Committee that year.

2.4. Turning to the LDC Services Waiver, following an LDC Group proposal that the CTS organized a webinar to bring together LDC service suppliers and consumers of LDC services in Members having granted preferences under the Waiver, in December 2020, the CTS had tasked the Secretariat to prepare a draft programme for the event. He understood that the Secretariat had since circulated a draft programme for the webinar which was based on an outline prepared by the LDC Group and incorporated delegations' comments. The draft would be considered at the CTS meeting on 5 March.

2.5. On Preferential Rules of Origin for LDCs, the General Council had considered the Annual Report submitted in line with the Bali and the Nairobi decisions at its December meeting, and the Committee had not yet met in 2021.

2.6. He also referred Members to the report he had provided in December with respect to the decisions on Duty-Free Quota-Free market access for LDCs, and on the Monitoring Mechanism on Special and Differential Treatment.

2.7. Regarding Aid for Trade, at its meeting on 16 February, the CTD Session on Aid for Trade had heard updates from Members about their efforts to mobilize finance to address the economic hardship created by the pandemic. The addendum to the 2020-22 Aid for Trade Work Programme provided for a Stocktaking Event to review the trade and development impact of COVID-19, together with the role that Aid for Trade could play in recovery and future resilience. An agenda for that event on 23 to 25 March 2021, containing a programme of the sessions proposed by Members, was available on the WTO website.

2.8. Regarding the Trade Facilitation Agreement, the current rate of ratification remained at 93% of the Membership.

2.9. And finally, regarding the Work Programme on Electronic Commerce, Members would recall that at the December General Council meeting, the Chairs of the CTS, CTG and TRIPS Council had reported on e-commerce discussions in their respective bodies. In addition, the item on the "Work Programme on Electronic Commerce and Moratorium on Imposing Customs Duties on Electronic Transmissions" requested by India and a joint communication from South Africa and India on "Reinvigorating the Work Under the 1998 Work Programme on Electronic Commerce" had also been

Kingdom of Saudi Arabia; Republic of Moldova; Angola; Uruguay (Informal Working Group on MSMEs); Costa Rica (Joint Initiative on Services Domestic Regulation); Sri Lanka; Bolivarian Republic of Venezuela; Thailand; India; South Africa; Mauritius (African Group); Afghanistan; Fiji (Pacific Group); Colombia; Uganda; Cambodia; Cameroon; Kazakhstan; Senegal and Peru.

⁵ The Chairman's statement was circulated in document JOB/GC/252.

considered. Delegations had an extensive discussion in December that had touched upon wide-ranging substantive and procedural issues. Such discussion was welcomed, and he once again urged all Members to continue to actively engage in discussions on the Work Programme on Electronic Commerce and the Moratorium. Members would recall that the 2019 General Council Decision had instructed the General Council to report to the Twelfth Session of the Ministerial Conference. And he noted that they had a separate item on the Work Programme requested by India on the agenda.

2.10. The representative of South Africa stood ready to work with Dr. Ngozi on an inclusive economic recovery agenda and timely, equitable and affordable access to vaccines and therapeutics. The WTO needed to engage in a solution-oriented process urgently. South Africa would work constructively with her and the Membership to find a landing zone. South Africa thanked the four DDGs for their leadership during the process of the appointment of the Director-General. Their contribution was much appreciated.

2.11. The COVID-19 pandemic, together with the impact of climate change, illustrated more sharply the vulnerability of poor populations to external shocks. Indications were that the recovery from the pandemic in developing countries would take much longer as many of them lacked the fiscal space to facilitate economic recovery. That called for decisive action by the WTO in relation to mandated issues including through a food security agenda. Such an agenda should include a permanent solution on PSH, conclusion of the SSM to deal with import surges, conclusion of disciplines on cotton based on the C-4 proposal and agreement on a framework for substantial reduction in domestic support that distorted trade. That agenda should be a priority. Those were issues mandated by their Ministers for which an outcome was expected. In addition, Members needed to find a sustainable food security solution that supported food production at a country level.

2.12. The representative of the European Union noted that, on the Bali Ministerial Decision on Public Stockholding, India had invoked the Bali Ministerial Decision for the first time. Examination on that was ongoing in the CoA and further transparency from India was awaited.

2.13. On the Nairobi Decision on Export Competition, the European Union continued to urge the remaining Members that had so far not submitted the necessary schedule modifications to eliminate export subsidy commitments to do it as soon as possible. The 2021 Export Competition Questionnaire would be the first occasion on which developing countries were required to submit replies. The European Union encouraged all developing Members to do so. That was particularly important for active exporters. The European Union also looked forward to the discussion in the CoA on the triennial review of the Nairobi Decision. The European Union counted on Members' active participation on how to enhance disciplines and ensure no circumvention of commitments.

2.14. On the Bali Ministerial Decision on Tariff Rate Quota Administration, the European Union continued to regret that it had not yet been possible – as had been indicated by the Chair – to reach agreement on the scope of the TRQ underfill mechanism in order to ensure that all Members took equivalent commitments. The issue would need to be addressed by their Ministers at MC12.

2.15. The representative of Chad, on behalf of the LDCs, reiterated the importance of a full operationalization of the decisions related to duty-free and quota-free market access, the waiver on services in favour of LDCs' services suppliers and preferential rules of origin in favour of LDCs. The LDCs thanked the Members who had notified their preferences to LDCs and called on those who had not yet done so to notify their preferences as soon as possible.

2.16. On the services waiver, the LDC Group was working with the CTS to hold a dedicated workshop to review the implementation of the Decision. The Group hoped that the workshop would engage suppliers from LDCs and consumers of services from LDCs to share their experiences with Members.

2.17. On preferential rules of origin, although notable progress had been achieved since Nairobi, especially on transparency, the LDC Group called on Members to further consider its submissions identifying best practices and areas that needed to be reformed on rules of origin in order to align current rules to the Decision.

2.18. On electronic commerce, the LDC Group recalled that it had submitted a communication regarding LDC constraints specifically to find ways for LDCs to fully benefit from electronic commerce. The LDCs wished to achieve progress on the various aspects indicated in their

communication. As for the moratorium on customs duties on electronic transmissions, the LDC Group supported the preparatory work for a deliberation by their Ministers at MC12.

2.19. The representative of Indonesia said that, on the implementation of Ministerial mandates, apart from still having a lot of work to be done, Members also had to renew their political willingness to ensure meaningful progress on the mandated issues. On agriculture, Members should continue to pursue the mandate of the Bali Ministerial Decision to establish a permanent solution for public stockholding for food security purposes and comprehensive and balanced outcome in SSM. Members should not miss again the deadline. They needed to set out goals to advance the negotiations to ensure agriculture reform created fair disciplines and promoted food security in addressing the current pandemic challenges and their impact on food security.

2.20. On fisheries, Indonesia urged Members to remain in line with the Buenos Aires mandates in prohibiting subsidies that contributed to overfishing and overcapacity. Without the strong prohibition, the discipline would lack the ability to control overfishing and overcapacity and would enable big subsidizers to further enhance their capacity. In that regard, the "polluters pay" principle should be respected and Members should have effective S&DT provisions.

2.21. On the situation concerning the Appellate Body Selection Process, Indonesia had high hopes that the new Director-General could create the impetus for Members to resolve that pertinent matter. Indonesia looked forward to working closely with Dr. Ngozi Okonjo-Iweala on that and other matters and conveyed its support to her as she assumed office.

2.22. The representative of the Philippines noted that, after serving in the World Bank, Dr. Ngozi Okonjo-Iweala had been handed the reins of another institution of global governance – the WTO as the premier forum for multilateral trade. She would be inheriting an organization in the midst of crisis both within and outside the WTO. She would be leading 164 Members during a time of disruptive economic, social, technological and environmental change. She would be in a position to provide steady guidance to a rules-based multilateral trading system in a constant state of systemic flux, as the Membership collectively tried to keep pace with the realities of 21st century international commerce. The WTO was after all a Member-driven organization. But as Director-General, Dr. Ngozi was in a position to help the Membership effect meaningful reforms.

2.23. The Philippines asked Dr. Ngozi to embrace the opportunity to gently steer the WTO to where it should go. She was standing on the shoulders of the giants that had come before her – Roberto Azevêdo, Pascal Lamy, Supachai Panitchpakdi to name a few – and she was able to have a good view of what the WTO could become in a way that none of them individually could. As had been mentioned at the Special General Council Meeting on 15 February, the Philippines stood ready to work constructively and actively under Dr. Ngozi's leadership to help reinvigorate the WTO and deliver concrete results at MC12. The Philippines called on Members to begin the work in earnest to enable the WTO to deliver to their citizens and stakeholders a fair, prosperous and mutually beneficial and sustainable global economy under a strong rules-based multilateral trading system.

2.24. The representative of India conveyed sincere congratulations to Dr. Ngozi Okonjo-Iweala on her appointment as Director-General of the WTO and assured her of India's full cooperation in promoting constructive engagement among the Membership in taking forward the work of the WTO. In preparing for MC12, India reiterated the Ministerial mandates from Bali and Nairobi regarding an effective, permanent outcome on Public Stockholding for Food Security Purposes. That outcome was also imperative for the achievement of SDGs 1 and 2 and for telling the world that the WTO could deliver results especially in areas of immediate concern to the large majority of its Membership. The pandemic had heightened the challenges of food and livelihood security as seen from the rise in FAO food price index which had hit a three year high during 2020. Rising food inflation further aggravated the hardship of those already under significant duress due to COVID-19.

2.25. The pandemic had also portrayed how sustainable PSH worked to mitigate the disasters' effects and reduce the hardships of the vulnerable. In that context, India invited the Members to look at its mammoth effort in reaching food to its poor and vulnerable population during the pandemic. In 2020, food support in the form of 5 kg of rice or wheat and 1 kg of pulses per month had been supplied to 800 million people for eight months. That had been possible because of a robust PSH programme. In the absence of a robust PSH Programme in India and other countries, Members were asked to think about the kind of demand that would have been created in the global

food market and what could have happened to the already long time highest food price index. The exporting countries would have had also come under immense pressure and would have been forced to resort to extreme measures.

2.26. As a responsible Member, India had been consistently complying with its notification obligations at the WTO, including with the notification obligations prescribed in document G/AG/2. India's track-record with meeting its transparency obligations had been much better than that of several Members who were pressing for enhanced transparency at the WTO. Pursuant to the Bali Ministerial Decision on Public Stockholding for Food Security Purposes and the General Council Decision of 2014 as contained in document WT/L/939, India had notified the Committee on Agriculture that it had, for the first time, exceeded the de minimis level of market price support for rice for the marketing year 2018-2019, by a very minor margin of 1.4%.

2.27. Market price support for rice, a traditional staple food crop was notified under Article 7.2(b) of the Agreement on Agriculture in pursuance of public stockholding programmes for food security purposes. India's public stockholding programmes for food security purposes, covering rice and a number of other commodities, had been consistently reported in its Table DS:1 notifications since 1995. The programme was consistent with the criteria mentioned in Paragraph 3, Footnote 5, and Footnote 5&6 of Annex 2 to the Agreement on Agriculture. Further, the stocks under the programme were acquired and released in order to meet the domestic food security needs of India's poor and vulnerable population, and not to impede commercial trade or food security of others. For those reasons, the notified level of market price support for rice was covered by the peace clause set out in the Bali Ministerial Decision on Public Stockholding for Food Security Purposes (WT/MIN(13)/38) and the General Council Decision (WT/L/939).

2.28. India had been constructively engaging on that issue with other Members in the meetings of the Committee on Agriculture. An outcome for PSH should be an improvement over the present peace clause with extension to new programmes and new products and also to those Members who had not been having PSH programmes in 2013. The Ministerial mandate on PSH underlined that negotiations under that pillar had to be on an accelerated, separate track. Hence, India did not support linking PSH outcomes with outcomes in other pillars. Work on the PSH file should continue in a dedicated session to pursue the Ministerial mandate.

2.29. It was natural to expect that the track record of the main votaries of enhanced transparency such as the European Union would be nothing short of exemplary in complying with their existing notification obligations. But India found that the European Union had still not submitted its DS:1 notification for the marketing year 2018-19, well past the deadline of 30 September 2019 by when they should have had notified that information according to the deadlines mandated in document G/AG/2 – constituting a delay of more than a year. The European Union had also been late by a period of almost 19 months in notifying its DS:1 notification for the marketing year 2017-18. It was also disappointing to note that specific trade concerns relating to the EU's policy on MRLs and endocrine disruptors had remained on the agenda of the SPS Committee for several years together.

2.30. It was not India's intention to point fingers at any Member but its expectation was that Members would practice what they preached. Another glaring example of that pretence had been the implementation of export restriction on vaccines by the European Union in the name of transparency. That measure, as Members knew, was anything but transparent. India encouraged the European Union and other Members to lead by example and ensure that they fulfilled their existing transparency obligations before proposing to add an ever growing list of new obligations.

2.31. The representative of Ukraine shared Dr. Ngozi Okonjo-Iweala's vision of a rejuvenated and strengthened WTO that could effectively tackle current challenges and deliver results on pending issues. Ukraine congratulated her on the assumption of her new duties and wished her success. International trade would contribute to achieving SDGs especially SDG 2 on world hunger. The WTO needed to update and modernize its rules. The failure of the Doha Development Agenda froze disproportionate market access to agricultural products. Forthcoming waves of normal pandemic-related subsidies to be provided by high income States would further distort trade in agriculture.

2.32. Climate change rationality behind currently planned subsidies throughout the world could become another major challenge for international trade. It would be a horrible mistake if trade rules would be considered as obstacles for climate actions. Unfortunately, within the current discussions

on climate change, carbon linkage and carbon footprint concepts often treated international trade as something negative. The WTO should reinforce its work on agricultural market access and subsidies to highlight that international trade rules helped achieve SDGs such as SDGs 2 and 13.

2.33. The representative of Cambodia associated with the statement by the LDC Group and thanked all Members for their notifications in line with the implementation of the Bali, Nairobi and Buenos Aires Decisions. Cambodia referred to the important elements contained in Ministerial Decisions in favour of LDCs such as DFQF market access, preferential rules of origin and the Services Waiver – which should be implemented in order for LDCs to genuinely gain and fully benefit from the multilateral trading system. Cambodia encouraged Members who had yet implemented the relevant decisions to do so because that would contribute to economic recovery from the damages caused by the COVID-19 pandemic.

2.34. The General Council took note of the Chairman's report and of the statements.

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 agreement in the General Council in 2002, the Work Programme on Small Economies was a standing item on the agenda and the Committee on Trade and Development reported regularly on the progress of work in its Dedicated Sessions. In Buenos Aires, Ministers had reaffirmed their commitment to the Work Programme and had instructed the CTD to continue its work in Dedicated Sessions under the overall responsibility of the General Council. As Members were aware, the CTD Chair was currently vacant following the departure of Ambassador Haqjo. He also understood that the Dedicated Session had not yet met since the previous General Council meeting. He referred Members to the report that had been provided under that item in December and looked forward to a report at the next General Council meeting.

3.2. The representative of Guatemala, on behalf of the SVEs, wished Dr. Ngozi Okonjo-Iweala every success at the WTO and looked forward to working closely with her. On the Work Programme on Small Economies, Members had a successful meeting of the Dedicated Session on Small Economies on 2 November on investment attraction and on the challenges experienced by SVEs caused by the COVID-19 pandemic. The SVEs would like to move forward with the work of the Dedicated Session and had initiated informal consultations with Members on the organization of the meeting of the Dedicated Session on Small Economies on the issue of the impact of natural disasters on trade on small economies which would possibly take place in May. The SVEs would conduct consultations with interested delegations in the following weeks on that issue.

3.3. The representative of Sri Lanka noted that the landmark event of the past six months had been Dr. Ngozi Okonjo-Iweala's appointment as the new Director-General. With her assumption of duties that day, Members were entering a new phase of WTO affairs. Sri Lanka believed that Members would see real progress on many key issues during her tenure. As Dr. Ngozi had said, much needed to be done at that critical juncture for the WTO. World trade should contribute to a more effective pandemic response as well as a strong and sustainable economic recovery. The challenges were many but there were also so many opportunities. Dr. Ngozi had presented an ambitious agenda for the Members which deserved serious and careful consideration. Sri Lanka extended its unequivocal support to ensure its realization and assured her of its support. Sri Lanka would work closely with her to help her have a successful, effective and meaningful tenure.

3.4. On the Work Programme on Small Economies, Sri Lanka associated with the statement by the SVEs. Sri Lanka thanked the previous CTD Chair and the Secretariat for having extended their full support to make the Work Programme a live initiative. Considering the unique and unprecedented impact of the pandemic on economic and social structures across the globe, it was evident from many analysis and reports that small and structurally vulnerable economies were hardly hit including Sri Lanka – with the pandemic threatening to rollback many of the developmental gains they had achieved over the past decades.

3.5. Sri Lanka was encouraged by the willingness of the Members to continue to engage in discussions aimed at finding practical solutions to those trade-related challenges that hindered beneficial participation in global trade. It was in that spirit that Sri Lanka was joining other SVEs for

the purpose of seeking to identify existing and new priorities that deserved the attention of the WTO Membership for future work under the Work Programme on Small Economies.

3.6. The time was ripe for Members to build on findings of the Secretariat's work on the link between natural disasters and trade by directing more focus and attention to that important topic which was one of the pending issues for discussion. But Sri Lanka had learned through the SVEs Coordinator that Members had expressed their openness to have a dedicated session in May on natural disasters on the basis of the proposal prepared by the SVEs that specified the content of the session. Sri Lanka remained fully committed and stood ready to reengage as it deemed the advancement of the Work Programme as critical to facilitating the realization of solutions which would lead to a more meaningful participation in global trade.

3.7. The representative of Saint Lucia, on behalf of CARICOM, said that it was a good day for the system – a day that was long incoming. CARICOM looked forward to Dr. Ngozi Okonjo-Iweala's strong leadership in support of the multilateral trading system. She could be assured of the full cooperation of CARICOM. CARICOM associated with the statement by the SVEs. As Members recognized, small economies faced peculiar internal and external challenges. SVEs were constrained by small internal markets, trade openness, limited economic diversification and susceptibility to natural disasters created by climate change. Exogenous shocks such as those brought about by the COVID-19 pandemic also imposed heavy costs on their societies – costs that they were ill-equipped to respond to relative to larger States. Invariably, they also took longer to recover from those external shocks.

3.8. The CARICOM Group had been one of the main proponents of discussing natural disasters within the context of SVEs at the level of the CTD Dedicated Session on Small Economies. CARICOM thanked all Members for the willingness to engage with the SVEs on that important issue of natural disasters and their impact on developing countries including small, vulnerable economies. Some of the topics CARICOM would like to discuss included (i) the impact of natural disasters on trade for SVEs including on infrastructure such as ports, roads and telecommunication systems and sectoral production including agriculture, fisheries, agro-processing and manufacturing as well as the services sector, (ii) strengthening the resilience of SVEs to mitigate against the impact of those natural disasters, and (iii) using natural disasters as a metric to assess the vulnerabilities of SVEs. CARICOM was prepared to engage with all Members on that important issue with the view to raising awareness of the impact and cause of those natural disasters to their economies and their people. The CARICOM Group looked forward to convening the session on natural disasters as soon as practicable.

3.9. The representative of Barbados associated with the statements by the SVEs and CARICOM. Barbados was pleased to be in a position to move forward on examining the issue of trade and natural disasters within the context of the dedicated session on small economies. In light of their susceptibility to natural disasters and the disproportionate impact that those had on their economies, their dependence on trade and on a narrow set of exports, the nexus between trade and natural disasters held particular significance for the SVEs that were small island developing States. Barbados therefore hoped that Members would be able to build on the body of work which had been started in the WTO through the kind assistance of Australia.

3.10. Barbados was ever cognizant and a core contributor to addressing inherent challenges and rebuilding resilience against economic and environmental shocks. Barbados was equally aware and hopeful that in undertaking work in the CTD Dedicated Session on Small Economies, Members would be able to benefit from the emerging work in the WTO which focused on building economic resilience as well as dedicated work in the other international organizations including UNCTAD which examined various dimensions of natural disasters and trade. Barbados continued to be an ardent proponent of the Work Programme on Small Economies and stood ready to shape and participate in the dedicated discussions on trade and natural disasters.

3.11. The representative of Vanuatu, on behalf of Pacific Group, expressed its commitment to working with Dr. Ngozi Okonjo-Iweala during her tenure to make the organization vibrant and responsive to the challenges of the evolving global environment. The Pacific Group associated with the statement by the SVEs. The challenges faced by SVEs in attracting investment was not only of a policy nature but also a structural one – attributed to the small size of their economies and their remoteness. The economic impact of COVID-19 had further exacerbated the vulnerabilities of small economies. Recent analysis indicated that no matter the crisis, the SVEs and in particular small island developing States were always the hardest hit and were disproportionately affected. Climate

change was a challenge to Pacific economies. The Pacific Group hoped that Members would pay more attention to that issue and underlined the importance of the Work Programme which aimed to frame responses to the trade-related issues identified for the fuller integration of small, vulnerable economies into the multilateral trading system. The Group called on Members to constructively engage to facilitate meaningful responses for integrating SVEs in the multilateral trading system.

3.12. The representative of Fiji noted that the COVID-19 pandemic further exacerbated SVEs' vulnerability when economies and borders were closed – affecting their services sector which was the key vein to their economic sustenance. Small economies would continue to be disproportionately affected by those challenges which would further exacerbate their vulnerability. Fiji had no COVID-19 case beyond its border quarantine area since May 2020. But that success had come at a great cost to its economy. Fiji had to shut its borders and essentially bring its tourism industry which generated nearly 40% of its GDP to an abrupt halt. In the midst of Fiji's COVID-19 lockdown in April 2020, powerful Category 5 Tropical Cyclone had caused widespread destruction to Fiji and neighbouring Pacific countries with an estimated damage of USD 123.5 million. For Fiji alone, since 2016, cyclones had struck its islands. One of them had set the record as the strongest ever in the southern hemisphere. That was the reality of small economies.

3.13. Natural disaster was a real concern with its frequency and intensity heightening each time. Those natural extremes did not give chance to their economies to rebuild whether it be related to infrastructure, agriculture or other areas. Over the years, it had always been a matter of rebuilding for Fiji which continued to push back critical development priorities. External support sources had also been affected. The COVID-19 pandemic had an immediate and negative impact on FDI in 2021. The outlook remained dire with further deterioration projected. As a result, global FDI flows according to UNCTAD were focused to decrease further by 40% and would have enormous bearing on extractive industries and tourism – key sectors for small economies. Remittances would be low to middle and would decline by another 20% due to the economic crisis induced by COVID-19 and the lockdown measures. In the past, remittances had been counter-cyclical where workers sent more money home at times of crisis and hardship. That time, however, the pandemic had affected all countries creating additional uncertainties.

3.14. Fiji therefore underscored the importance of the Work Programme to the SVEs and reminded Members of the objective of the work as mandated in Paragraph 35 of the Doha Ministerial Declaration to frame responses to trade-related issues identified for the fuller integration of small, vulnerable economies into the multilateral trading system. The WTO should be reflective of its Members and should ensure that the issues and interests of each of them were reflected in various pillars of WTO work so that developing countries particularly the SVEs and the LDCs were fully integrated into the multilateral system through the provision of policy space and appropriate S&DT. Fiji looked forward to further discussions on the issue of natural disasters and trade in 2021 and to engage constructively in them. Fiji associated with the statements by the SVEs and the Pacific Group and wished Dr. Ngozi Okonjo-Iweala every success as she assumed office as Director-General.

3.15. The General Council took note of the statements.

4 TWELFTH SESSION OF THE MINISTERIAL CONFERENCE – DATE AND VENUE

4.1. The Chairman recalled that, at the General Council meeting in December, he had noted that, based on his consultations and in light of the current situation, it had no longer been realistic to envisage a June date for MC12, and that it would be necessary to consider alternative dates towards the end of 2021. That sentiment had been echoed by a number of delegations during that meeting. Calls had also been made by Members for the General Council to make a firm decision on the matter early in the new year to pave the way for the preparations of MC12 and build momentum to achieve substantive outcomes at the Conference.

4.2. Since December, he had held a number of conversations with Members on the matter, and he had kept in close contact with Kazakhstan. Further to those conversations, and as Members would recall, at the 24 February Informal General Council meeting, he had noted that his understanding had been that delegations would be agreeable to holding MC12 later that year, and that, given the current circumstances, Geneva would be a more realistic option. He had also recalled that the officers for the Conference, namely the Chair and the three Vice-Chairs, had been agreed already by the General Council at its meetings of October 2019 and March 2020, respectively. He also drew

attention to the communication from Kazakhstan which, at the request of Kazakhstan, had been circulated on 24 February in WT/GC/229. On behalf of all Members, he thanked Kazakhstan for its continued support, flexibility and understanding. Kazakhstan's commitment and constructive attitude was highly appreciated by all.

4.3. Therefore, he invited the General Council to formally agree that the Twelfth Session of the WTO Ministerial Conference would take place in Geneva at the beginning of December 2021, that was during the week of 29 November 2021.

4.4. The General Council so agreed.

4.5. The representative of Cameroon reassured Dr. Ngozi Okonjo-Iweala of its full support and readiness to work with her in finding adequate solutions to the challenges ahead. Cameroon was confident that together they could strike a deal on various items that preserved the rights and interests of all Members. Cameroon commended the constant availability and hospitality expressed by the Government of Kazakhstan to welcome all Members to Nur-Sultan on the occasion of the Twelfth Ministerial Conference. That benevolent attention from Kazakhstan denoted its attachment to the rules and ideals that the institution carried. At the same time, Members should take into account the health and security of the participants in deciding on MC12 date and venue.

4.6. Members should be prepared to live with COVID-19 while not creating a conducive environment for its spread. In order to do that, it would be wise for Members to agree on a format that allowed Ministers to safely meet and take the decisions necessary to strengthen the WTO. Moreover, the decision on MC12 date and venue should take into account the efforts of the Government of Kazakhstan. Consequently, Cameroon proposed that the General Council agreed that Kazakhstan would continue to chair MC12 even though it would be held in Geneva. Cameroon would be part of that consensus and commended all Members for their efforts in that regard.

4.7. The representative of Saint Lucia, on behalf of CARICOM, associated with the statement by the ACP. CARICOM had noted the decision that the upcoming Ministerial Conference would take place in Geneva in December 2021. The CARICOM Group would continue to monitor developments as it related to the containment of the pandemic with a view to ensuring a safe and productive MC12 in Geneva. CARICOM thanked Kazakhstan for its openness to pursuing that most prudent and practical approach to the hosting of MC12 and welcomes its openness to chairing the Conference. CARICOM looked forward to a successful MC12 and pledged its best efforts to support the Membership in convening their Ministers at MC12 later in the year.

4.8. The representative of the Philippines was pleased to see that there was an emerging mass of support for holding MC12 in December in Geneva. A successful MC12 would not only entail delivering much-needed substantive outcomes and continuing on a path to reform, but equally important, mitigating any risk to the health and safety of delegates from COVID-19. A consensus reached by the entire Membership as soon as possible on the decision to set the date and venue of MC12 sent a strong signal that the WTO was ready to tackle the urgent problems of today and face the challenges of tomorrow. As with many delegations, the Philippines expressed its sincere appreciation to Kazakhstan for its steadfast commitment to host MC12, through thick and thin, despite formidable challenges posed by the COVID-19 pandemic. The Philippines was confident that Kazakhstan would continue to be a reliable partner of the WTO in ensuring the successful hosting of MC12.

4.9. The representative of the Kingdom of Saudi Arabia, on behalf of the Arab Group, said that, as Dr. Ngozi Okonjo-Iweala began her mandate, the Arab Group assured her of its full support in the work leading up to MC12 and beyond. The Arab Group also thanked the Chairman for conducting the consultations on MC12 date and venue in a transparent and inclusive manner. The Arab Group welcomed the General Council decision for conducting the Twelfth WTO Ministerial Conference in Geneva in December 2021 and expressed its deepest gratitude to Kazakhstan for its generous offer and for its constructive spirit and flexibility shown during the whole process to finalize the decision on the matter.

4.10. In those challenging times, Members should unify their efforts and work together to fix and strengthen the system and to ensure that it was responsive to the needs of the entire Membership and evolving global economy. As Members moved towards MC12, it would be of utmost importance to reflect on the role of the WTO in contributing to a global response in fighting COVID-19 and in

promoting inclusive economic recovery and resilience. A successful MC12 would benefit Members and the international community and would assure Members that they were on the right track. The Arab Group remained ready to work constructively with all Members to ensure that the next Ministerial Conference would be a great success.

4.11. The representative of Malaysia took cognizance of the challenges faced due to the COVID-19 pandemic and other unprecedented developments which had affected the plan to hold MC12 on 21 to 24 June 2020 in Nur-Sultan, Kazakhstan. Malaysia welcomed the new development that MC12 would be held in Geneva in December. With the new date in mind, Members should set a clear goal on areas where they had the best prospects of reaching convergence. Malaysia stood ready to contribute towards achieving a meaningful outcome at MC12.

4.12. The representative of Thailand reiterated its commitment and full support to Dr. Ngozi Okonjo-Iweala in her efforts to bring further success to the WTO. Thailand thanked the Chairman for his leadership on the matter and to Kazakhstan for its continued commitment to host MC12 and flexibility provided to arrive at the current proposal by the Chairman. Thailand was pleased to join the consensus on the proposed date and venue of MC12 and welcomed the fact that Members had just decided on that matter – allowing them to properly focus on their work.

4.13. The representative of United Kingdom noted that the arrival of Dr. Ngozi Okonjo-Iweala marked a new beginning to the organization – potentially a second chance for the WTO to live up to the hopes and promise of the time of its founding a quarter of a century ago. His only regret was that he would not be there to see it. He was leaving Geneva at the end of the month. He thanked everyone for their warm wishes in that regard. He had had the privilege to serve as the UK Permanent Representative to all of the international organizations in Geneva for six years. He had seen pandemics and migration crises but the work he had been most proud of had been at the WTO as he and his team had sought to manage the UK's smooth transition in the WTO when it had left the European Union. With the help of friends and colleagues in the virtual room, with the expert support of an unfailingly helpful Secretariat, the United Kingdom had managed it. And before anyone would put up their flag, he reassured Members that the United Kingdom had not forgotten about the TRQs and it would sort them out.

4.14. It was not true that the WTO had achieved nothing in those 25 years. Its greatest achievement was often the one least recognized. Since 1995, the WTO had more than doubled its Membership from 76 to 164 Members extending the rules-based trading system so that it had become truly global – almost universal. And during that time, hundreds of millions of people – literally billions – had been lifted out extreme poverty by trade, by the growth, prosperity and jobs that trade brought. That would not have been possible without the WTO. So as he left Geneva, he wanted to give Members his best wishes for the future.

4.15. In fact, he had three wishes to share with Members. First, he wished that they could overcome the divisions between developed and developing Members – which was at the heart of the impasse the organization faced that day. He hoped that they could still succeed in finding new and flexible ways to put the WTO at the forefront of shaping the rules of trade today and for the future – from data to vaccines, and that they could harness the requisite political will to advance the historic cause of development through trade liberalization and expanding market access.

4.16. Second, he wished that Members could succeed in re-engaging the truly systemic Members of the WTO in constructive reform, that they could find the compromises that would resolve the Appellate Body issue and would again harness the enormous power of the United States for the good of the WTO and its Members, and that China could lead reform at the WTO and at home commensurate with the fact that it was no longer a marginal player in the global trading system that it had been when it joined the WTO in 2001.

4.17. Finally, he wished the new Director-General every success in marshalling that one ingredient that would unlock everything else and put the organization back at the centre of making the world a better place – political will. In securing the engagement of Trade Ministers and even Presidents and Prime Ministers, in reaching the compromises that would bring benefits and prosperity for all, as Ambassadors, they had to recognize that those decisions were above their pay grade and that they had to accept their responsibility in helping the Director-General engage their political leaders.

4.18. He thanked all Members for their support, friendship and help over the years and the Deputy Directors-General and the brilliant Secretariat for their professionalism. The WTO Secretariat was the best in Geneva. With the new Director-General and the right leadership at home, he knew the WTO would achieve great things. On that note, the United Kingdom heartily welcomed Kazakhstan's offer to co-host MC12 in December 2021 with the Secretariat in Geneva and the decision that day.

4.19. The representative of Chinese Taipei said that Dr. Ngozi Okonjo-Iweala's speech that day was encouraging. Chinese Taipei looked forward to intensively working with Members to support and realize the vision she had elaborated. Chinese Taipei thanked the Chairman for his continuous consultations with Kazakhstan and other Members, and Kazakhstan for its efforts in that regard. Chinese Taipei welcomed the decision of holding MC12 at the beginning of December 2021 in Geneva and fully agreed with the Director-General's statement about identifying realistic deliverables to be concluded at MC12. It was time for Members to work harder towards that direction. In that regard, Chinese Taipei was ready to work with Members to ensure a successful MC12.

4.20. The representative of Ecuador welcomed the words of the Director-General at the beginning of the meeting. Her proactive role would be fundamental to revitalize the functioning of the multilateral trading system at a crucial time overcoming the pandemic so that Members could come out of it stronger. Ecuador associated with the statement by GRULAC and welcomed the decision that the General Council had just taken so that MC12 would take place in December 2021 in Geneva. Ecuador thanked Kazakhstan for its readiness to facilitate that understanding. Members needed to focus on the work that would facilitate outcomes for the Conference and to ensure that they were productive, well-balanced and beneficial for all.

4.21. Ecuador referred to the words of the Director-General and noted that she could count on its support in working constructively with her to conclude negotiations on fisheries subsidies. Ecuador commended Ambassador Wills for the work that he had done in that respect and also recognized the support received from Ambassador Chambovey. Ecuador supported an outcome on artisanal fishing because of the impact on food security that those could have. That had been welcomed by majority of Members. Together with Chile and Argentina, Ecuador had submitted a new version of the proposal which reflected the criteria that the agreement would contain concrete and clear proposals on the area of IUU fishing on the high seas. It was essential to not lose sight on the concerns that they all shared with regard to fisheries subsidies and their impact on sustainability.

4.22. Ecuador welcomed the process led by Ambassador Gloria Abraham Peralta as Chair of the CoA SS. Ecuador was committed to ensure that the negotiations in agriculture moved forward in the WTO. For many developing Members, that sector was fundamental for their economy and key to achieving the SDGs. Ecuador hoped that the work undertaken by the CoA SS Chair towards that end which was important for global trade would be fruitful in the lead up to MC12.

4.23. Ecuador hoped that, in the lead up to MC12, work would progress on the JSIs on e-commerce, MSMEs and investment facilitation. Ecuador also encouraged work to continue on trade and gender by providing the platform to look into that issue in the various areas of international trade. Ecuador was also in favour of reforming the organization to ensure that it was up to date with the current realities and to serve as a positive engine in aiding international trade in the post pandemic era. That was a topic which Members should keep in mind looking towards MC12. Addressing key issues for the recovery of international trade and the economy globally required assuring that Members had a health-based response in accordance with the principles of the multilateral trading system and that they worked in close cooperation with other multilateral organizations.

4.24. The representative of the Russian Federation noted that it was symbolic that Members were meeting that day on the first calendar day of spring at least in that part of the world – the season which was seen around the globe as the time of changes and hope. In that regard, Russia reiterated its commitment to work constructively with the Director-General on finding solutions to any issues which the WTO was currently facing on the road to MC12.

4.25. Russia thanked Kazakhstan for its continued commitment to host MC12. Unfortunately, the COVID-19 pandemic situation remained highly volatile in many regions. The associated health-related constraints evidently prevented Members from holding MC12 in Nur-Sultan in the coming months. At the same time, Members urgently needed to have scheduled dates for the Conference as a benchmark for their negotiating work. In that regard, Russia supported the proposal to convene

MC12 in Geneva in December 2021 under the chairmanship of Kazakhstan – with the understanding that Members would carefully monitor the development of the pandemic and, if necessary, revisit their decision. Such an eventuality would be unfortunate and undesirable. Russia therefore asked the Secretariat to keep the Members updated on eventual administrative arrangements of the Conference and the deliberations with the Swiss authorities on the issue.

4.26. The representative of Jamaica, on behalf of the ACP, said that Dr. Ngozi Okonjo-Iweala had hit the ground running and thanked her for her encouraging statement. Dr. Ngozi's assumption could not have come at a more critical time. The ACP looked forward to her usual skilful deployment of her decades of multilateral, development and economic knowledge and experience to lend to Members' efforts to preserve and strengthen the multilateral trading system with the WTO as its core institution. The ACP committed itself to working with Dr. Ngozi and would give her its full support in her pursuits.

4.27. The ACP Group affirmed the importance of convening MC12 for Ministers to make important decisions and to provide mandates and guidance for future work in various critical areas. The WTO had not had a Ministerial since 2017. It was thus important for Members to receive necessary political guidance for their continued engagement and work. The ACP did not object to the convening of MC12 in Geneva in the first week of December but would continue to monitor developments on the ground as it related to the pandemic. The WTO should accommodate the concerns of its Membership including the psychological comfort of delegates and the effects that the virus would have in their capitals. The ACP thanked the Government of Kazakhstan for its flexibility, commitment and constructive engagement and had no objection to Kazakhstan chairing the Conference in Geneva.

4.28. On behalf of GRULAC, she noted that Dr. Ngozi Okonjo-Iweala's assumption of duties came at a time when the deployment of her vast experience and knowledge of multilateralism, international economic relations and international development would be essential in facilitating Members' work towards the strengthening of the multilateral trading system. GRULAC looked forward to working with Dr. Ngozi on all areas of relevance to the WTO. She could be assured of GRULAC's support and its commitment to her efforts to have a successful tenure.

4.29. The convening of MC12 was important for Members to get Ministerial decisions and direction on various issues under discussions within the WTO. GRULAC supported the convening of MC12 in the first week of December 2021 in Geneva and thanked Kazakhstan for its flexibility given the unique circumstances in which Members currently operated. GRULAC was aware that the impact of the virus was evolving, and that organization of the Conference would need to be adapted to realities on the ground and to Members' preferences. GRULAC stood ready to participate in discussions on how to organize the event in a manner that was conducive to a successful Conference.

4.30. The representative of the European Union thanked Kazakhstan for its continued commitment and for showing flexibility. Unfortunately, circumstances had not allowed for MC12 to be held in Nur-Sultan. The European Union supported the organization of MC12 in Geneva in December – confident that if Members worked together over the coming nine months, they could deliver in a number of areas. The European Union had set out what it hoped could be achieved on WTO reform by MC12 and beyond in a recently published strategy paper named "Reforming the WTO: Towards a Sustainable and Effective Multilateral Trading System".

4.31. The paper described the reasons for the WTO's current crisis and put forward a set of ideas for restoring the organization's relevance and credibility. It notably presented ideas for updating the organization's rulebook and practices to better equip it against the challenges that they were collectively facing such as the recovery from COVID-19 and the digital and green transitions. Executive Vice President Dombrovskis had written to all WTO Members' Trade Ministers with an offer to reinforce dialogue in Geneva and in capitals to ensure a successful MC12 which should be an important milestone in the process of WTO reform. The European Union offered its full cooperation to the new Director-General in that endeavour.

4.32. The representative of Nigeria congratulated Dr. Ngozi Okonjo-Iweala who was participating in the meeting of the General Council for the first time in her capacity as Director-General of the WTO. Nigeria wished her the best throughout her tenure in the WTO and beyond. Nigeria associated with statements by the African Group and the ACP. With the negative effects of COVID-19 on lives and livelihood, MC12 should deliver outcomes that would underpin post COVID-19 participatory growth

that would benefit all. Nigeria expected fruitful outcomes in various issues such as fisheries subsidies, agriculture, TRIPS, trade and development and JSIs at MC12.

4.33. Nigeria commended the Chair for his tireless efforts which had enabled the Membership to agree on a suitable date and venue for MC12 to be held in Geneva in December. Nigeria also thanked the Government and People of Kazakhstan who had been poised to host MC12 but had graciously agreed in the interest of the system for MC12 to be held in Geneva due to the prevailing COVID-19 situation. On whether MC12 should be held physically or virtually, a close surveillance of the COVID-19 situation should continue to be conducted and monitored before taking a more favourable decision. Nigeria would continue to engage constructively with the Membership to ensure a hitch free MC12 that delivered balanced and equitable outcomes.

4.34. The representative of Kazakhstan supported the Director-General's vision of building a relevant, resilient and responsive organization that could benefit all Members. Kazakhstan was confident that Dr. Ngozi's impressive expertise and leadership skills would steer the WTO towards achieving its objective of ensuring a more efficient, inclusive and fair multilateral trading system. On behalf of the Government of Kazakhstan, she expressed Kazakhstan's profound gratitude to all Members for their continued support of Kazakhstan's initiative to host and chair MC12. At the same time, given the ongoing uncertainty and unprecedented challenges posed by the COVID-19 pandemic, Kazakhstan fully shared the concerns expressed by Members and supported the decision to hold MC12 in December in Geneva and confirmed its readiness to Chair the meeting. Kazakhstan was strongly committed to working constructively with all Members and with the Director-General to ensure meaningful and tangible outcomes at MC12.

4.35. The representative of the Maldives noted that holding MC12 remained a matter of urgent priority to reinvigorate the multilateral trading system in the current context of the global pandemic. That was particularly pertinent from the point of view of small island developing States such as the Maldives which were disproportionately affected and faced serious challenges in promoting sustainable trade and development. Uncertain times called for flexibility in conducting business. The Maldives welcomed the decision to hold MC12 in Geneva in December 2021 so that the important work of the WTO could continue unhindered for the benefit of all. The Maldives was grateful to the Government of Kazakhstan for its openness to hold MC12 in Geneva and for chairing that important meeting. During that challenging time, Members should work together towards the promotion and strengthening of the rules-based multilateral trading system, including ensuring a successful MC12, so that they could all achieve their trade and development objectives in line with the 2030 agenda.

4.36. The representative of China congratulated Dr. Ngozi Okonjo-Iweala and welcomed the announcement of MC12 date and venue – marking a fresh and new start for the whole year. It would give Members more impetus to ramp up efforts of possible deliverables. After four years, China wished for a successful Ministerial Conference through the entire Membership's joint efforts. At the same time, China strongly commended Kazakhstan for its offer to host MC12. As a newly-acceded Member, Kazakhstan had made various contributions demonstrating the country's support and commitment to the multilateral trading system. Kazakhstan deserved Members' warm applause.

4.37. The representative of India said that holding the much delayed MC12 was a matter of urgent priority for the WTO Membership. The certainty of schedule for MC12 would allow Members to work collectively towards implementing a work plan with appropriate markers and ambition for outcomes by then. It would also help mute criticism that the WTO was unable to hold the Ministerial Conference during those critical times. In this regard, India welcomed the decision for holding MC12 in Geneva in December. India thanked the flexibility shown by all concerned parties including Kazakhstan and Switzerland to arrive at that solution. India remained committed to making MC12 a success.

4.38. The representative of Hong Kong, China joined other colleagues in welcoming Dr. Ngozi Okonjo-Iweala and was glad that there were converging views among Members on MC12 date and venue. Hong Kong, China was pleased to be part of the consensus and thanked Kazakhstan for its continued commitment and flexibility and the Chair for his efforts in consulting with Members during the past year to work out a pragmatic way forward in light of the uncertainties and challenges brought by the pandemic.

4.39. The representative of Mauritius, on behalf of the African Group, welcomed the proposal to hold MC12 in Geneva in December 2021. The setting of a date would help boost confidence in the

institution. At the same time, Members should keep monitoring the situation on the ground given the evolving health situation – which should in turn help them in deciding on whether they could have a physical meeting or a virtual one. The African Group thanked Kazakhstan for having exercised great flexibility and understanding and would have no objection at all to Kazakhstan chairing MC12.

4.40. The representative of Turkey stood ready to work constructively with Dr. Ngozi Okonjo-Iweala and all Members to make the WTO more responsive and active to the needs and challenges of the people. Turkey was pleased to see that the decision on MC12 date and venue was taken that day by the General Council. That decision would be instrumental in maintaining the momentum in the negotiations and in pushing the trade agenda forward. Turkey had taken note of the statement of Kazakhstan and appreciated its constructive approach, understanding and flexibility. In that regard, Turkey supported Kazakhstan chairing and co-hosting MC12 in Geneva in December.

4.41. The representative of Barbados noted that the convening of the Ministerial Conference was a crucial function of the WTO. Barbados was however cognizant that the current global situation had meant that Members were not operating on a business as usual basis. Barbados commended Kazakhstan for its steadfast commitment and willingness to host MC12 and was therefore pleased at the decision to hold MC12 in Geneva and for Kazakhstan to co-host the event. Given that Members had the new Director-General and the date and venue of MC12, they could already move forward with a level of alacrity the business of the organization.

4.42. The representative of the Republic of Korea was confident that Dr. Ngozi Okonjo-Iweala's invaluable expertise and experience in the multilateral fora would guide Members to make genuine progress on WTO reform and to respond effectively to the pressing issues of the global trading system. Korea would stand firmly behind her efforts and leadership in that regard. Korea had also been stressing that Members should hold MC12 in 2021 to make important decisions the WTO urgently needed. Korea was pleased that the date and venue of MC12 had been decided that day and in that regard Korea appreciated Kazakhstan's flexibility and its willingness to make contribution to MC12. Korea was ready to support its proposal.

4.43. The representative of Namibia paid tribute to the Chair for his able leadership that he had demonstrated during his tenure where Members had reached consensus on the appointment of Dr. Ngozi Okonjo-Iweala, the first female and first African Director-General of the WTO. Namibia also congratulated Dr. Ngozi and assured her of its full support. Namibia supported the proposal for MC12 to be held in Geneva in December and thanked the Government of Kazakhstan for its flexibility and engagement.

4.44. The representative of Afghanistan expressed highest appreciation to Dr. Ngozi Okonjo-Iweala for her bold and frank statement on the challenges faced by the WTO. Afghanistan wished her success and stood ready to fully support her on her new role. Afghanistan commended the Chair for his continued efforts and consultations on MC12 date and venue and remained grateful to the Government of Kazakhstan, as the first Article XII and Central Asian Member to co-host and chair a Ministerial Conference, for all its efforts and for the flexibility it had demonstrated with regard to the change in the date and the venue in light of the current situation. Afghanistan appreciated the decision made in that regard as it viewed MC12 as a landmark event where Members should work together to achieve substantive outcomes – while taking into consideration the evolution of the pandemic. Afghanistan hoped that Members would, in any case, have some level of in-person engagement for the participants to ensure more effective discussions at MC12.

4.45. The representative of Chad, on behalf of the LDCs, supported the proposal on MC12 date and venue and looked forward to receiving more details on the preparations including the nature of participants' engagement. The MC12 format should take into account the technical and capacity constraints of small delegations particularly the LDCs and their respective governments.

4.46. The representative of Qatar said that, despite the many challenges the WTO had faced with its recent history of having a dysfunctional dispute settlement mechanism and confronting the global pandemic, Qatar remained faithful and confident that with the able leadership of Dr. Ngozi Okonjo-Iweala, the WTO would be steered towards a successful and more positive path. The State of Qatar remained committed to working actively and constructively with her in order to strengthen and maintain the multilateral trading system.

4.47. Qatar associated with the statement by the Arab Group. As a previous Ministerial Conference host, Qatar understood the many challenges that host countries faced. A global pandemic of that scale was however something that no one could have prepared for nor anticipated. In that regard, Qatar thanked Kazakhstan for showing flexibility and commitment to the WTO and the Chair for his efforts in finalizing the decision. Qatar welcomed the decision and looked forward to working with all Members, the Director-General and the Secretariat in order to convene a successful MC12 with clear and meaningful outcomes.

4.48. The General Council took note of statements.

5 WTO ACCESSIONS: 2020 ANNUAL REPORT BY THE DIRECTOR-GENERAL (WT/ACC/38 – WT/GC/228) – STATEMENT BY DEPUTY DIRECTOR-GENERAL

5.1. The Chairman drew attention to the annual report on accessions circulated in document WT/ACC/38 – WT/GC/228 – and invited Deputy Director-General Wolff to present the report.

5.2. Deputy Director-General Alan Wolff, representing all DDGs, reported that 2020 had been an important year for accessions process. Largely due to the COVID-19 pandemic, acceding countries had considered that becoming part of the WTO had even become more urgent. That had been reflected in the sustained level of accession activities with a significant increase in technical assistance and outreach mostly delivered via virtual platforms.

5.3. Exactly a year ago, the accession Working Party for Curaçao had been establishment – a unique case of a constituent country seeking an independent membership from an existing Member. In addition, Turkmenistan had been granted observer status in July, bringing the total number of observers with the intention to accede to the WTO to 24. That represented an increase by five Observers since 2016, the year that Afghanistan and Liberia had become the organization's newest Members. In 2020, four Working Parties had met, mainly through the use of virtual platforms, and three of them had concerned LDC accessions – Ethiopia, Comoros and Timor-Leste. In two cases – Ethiopia and Uzbekistan – the Working Parties had represented the formal resumption of accession processes after long years of inactivity, eight and fifteen years, respectively.

5.4. Despite being seriously affected by the pandemic, several fragile and conflict affected LDCs had demonstrated remarkable resilience in sustaining their engagement to accede. The Working Party of Comoros resumed its work with a determination to finalize the accession process as soon as possible. The Working Party of Timor-Leste had met for the first time after four years of technical work which had been delayed by domestic challenges. Furthermore, Somalia had submitted its Memorandum on the Foreign Trade Regime, the key document to start its engagement with the Working Party.

5.5. On the technical assistance and outreach front, the Secretariat had made use of the new opportunities offered by virtual tools, delivering considerably more activities than in previous years. That had included two novel outreach programmes: the Accessions Week in the summer and the Trade for Peace Week in the autumn, attracting 850 and 450 participants, respectively, over those week-long activities.

5.6. The thematic focus of the 2020 Annual Report was on the complementarities with and synergies between negotiating WTO membership and regional trade agreements. It built on the rich discussions acceding governments had had in the Eighth China Roundtable and the Regional Dialogues on African and Arab accessions. In addition, the WTO Members and acceding governments had benefited from possible ideas for Accessions Reform at the Ninth China Roundtable which had reviewed the contributions of accessions in marking the 25th anniversary of the WTO.

5.7. Looking ahead to 2021, accessions was certainly an area where the Membership could deliver. Comoros, a French-speaking African and Arab LDC, and Bosnia and Herzegovina remained the strategic focus of WTO accessions in 2021. Both accessions were at a technically advanced stage, and with Members' support, the finalization of the negotiations was within reach by MC12. African accessions would also remain a priority in 2021, still accounting for over one-third of remaining accessions. Two factors were important to consider for their potentially active engagement: African acceding governments saw WTO accession as complementary to their participation in the African Continental Free Trade Area and to their Trade for Peace agenda, especially in the Horn of Africa.

5.8. Work was expected to intensify in Ethiopia's accession process where the Government of Ethiopia was determined to use WTO accession as a driver in its economic reform and opening agenda. Sudan would resume its Working Party informally the following week as integrating to the global economy was a key component of the "New" Sudan transformation agenda led by Prime Minister Abdalla Hamdok. Based on the premise of Trade for Peace, Somalia and South Sudan would continue to use WTO accession as part of their state- and institution-building. Regarding other accessions, Timor-Leste, an LDC, and Uzbekistan were expected to build on the progress made that year, and the resumption of the Working Parties was also foreseen for Azerbaijan and Iraq.

5.9. On the Trade for Peace Programme, the Secretariat was engaged in efforts to: (i) expand partnerships with the peace and humanitarian communities through the establishment of a Trade for Peace Network, to be launched in March; (ii) make concrete expected activities for the Trade for Peace Programme, based on a White Paper; (iii) increase understanding of the trade and peace nexus, including through the collaboration with the UN Peacebuilding Commission; and (iv) showcase how trade could help deal fragility and conflicts on the ground, through the Trade for Peace Podcast, now officially being launched. And there would be more activities to follow.

5.10. He thanked all Members for their continued engagement and support for the WTO's work on accessions, including their technical assistance to acceding governments. In particular, he thanked the Chairs of accession Working Parties for their commitment to that important area for the WTO. The Secretariat acknowledged multilateral and regional partners for supporting accessions especially in Africa, the Arab region and Central Asia. The contribution of accessions over the last 25 years of the WTO's history should not be underestimated. With a new Director-General at the helm, Members had an opportunity to include new countries into the roster of WTO Membership and advance toward the goal of universality. He invited all Members to carefully review the annual Accessions Report. Their comments and advice were welcome as they prepared for new challenges and opportunities.

5.11. The representative of Mauritius, on behalf of the African Group, commended the Working Party Chairs for their commitment in advancing discussions for the accession of new Members despite the challenges posed by the pandemic. The fact that there were twenty-four applications for accession was testimony that the WTO continued to be relevant and was perceived as having an important role in the development agenda of acceding Members. As there were currently nine African countries that were at different levels of negotiations, the African Group reiterated its support to them, looked forward to welcoming them soon as WTO Members and acknowledged DDG Wolff's statement that African countries' accessions would remain a priority in 2021.

5.12. Unfortunately, the accessions process in itself was often seen as challenging, lengthy and costly. For instance, the average time for concluding accession talks for an LDC was around 13 years. The African Group trusted that those could be advanced more speedily and urged that accession negotiations should not become a means to make unreasonable requests to acceding countries and in particular African ones. No demand should be made which were not consistent with the levels of development of countries. The African Group therefore called for the full implementation of the 2002 Accessions Guidelines and 2012 General Council Decision on LDC Accessions and for the continued provision of technical assistance and capacity building at all stages of the accessions process.

5.13. The representative of Oman looked forward to working closely with Dr. Ngozi Okonjo-Iweala to preserve and strengthen the multilateral trading system and thanked the Secretariat particularly the Accessions Division for issuing the WTO Accessions Report 2020 and for organizing the first regional dialogue on WTO Accessions for the Arab Region from 8 to 10 November 2020 in collaboration with the Arab Monetary Fund and the Islamic Development Bank. The report was circulated in document WT/ACC/39. Nine Arab countries were still not WTO Members. Oman hoped that in the next few years and under the leadership of Dr. Ngozi, some of those Arab countries would accede to the WTO taking into account their different levels of development.

5.14. The Arab Regional Dialogue had been an opportunity for Oman to celebrate its 20th anniversary of its accession to the WTO. Oman thanked the WTO, the AMF and the IsDB for collaborating with it to celebrate its anniversary. The event had been organized virtually on 9 November 2020 which had been well attended and had seen active participation. Oman had shared its experience on accession to the WTO and its benefits. The feedback received from participants and panellists had been positive.

5.15. For the past six years, the WTO had not delivered on accessions. MC12 should be an opportunity to deliver in this area to ensure universality of the organization. Oman hoped that Members would conclude the accession of Comoros to the WTO by MC12. Comoros was an Arab, African and least developed country that deserved Members' attention at MC12. Oman commended the Accessions Division for staying active in 2020 despite the challenges posed by the pandemic and thanked them for the activities they had organized in 2020 including the Trade for Peace Week.

5.16. The representative of Afghanistan commended the Accessions Division for its flexibility and adaptability to the pandemic situation. Afghanistan was impressed that despite the challenges, the planned missions, technical assistance and outreach activities for 2020 had been conducted in virtual format. Afghanistan thanked the Secretariat for organizing the Accessions Week, the first edition of the Trade for Peace Week and the China Round Table on WTO Accessions which had marked the 25th anniversary of the WTO, and for the post-accession implementation support activities.

5.17. Afghanistan commended the Secretariat for continuing to provide support to the g7+ WTO Accessions Group, which had been coordinated by Afghanistan in the past three years and thanked Liberia for taking the lead. Afghanistan remained ready to actively engage in that Group's work. The Group had held three meetings in 2020 covering issues such as a joint ministerial statement and the impact of COVID-19 on fragile conflict-affected countries. Afghanistan had also participated in the 2020 Trade for Peace Week with a dedicated session on "Trade in times of COVID-19: Experiences of Fragile and Conflict-Affected States", organized in collaboration with the g7+ Secretariat.

5.18. Afghanistan commended the acceding governments for their efforts and was encouraged to note an increase in the level of accession, technical assistance, and outreach activities in 2020. Out of four Working Parties that had met in 2020, three had been on LDC accessions. Afghanistan thanked Ethiopia, Comoros and Timor-Leste for their tireless work and was happy to note that the resumption of the Working Parties was expected for Azerbaijan, Iraq and Sudan, where technical work had advanced.

5.19. Afghanistan congratulated Uzbekistan for the resumption of its accession in 2020 and was pleased to note the level of achievements that Uzbekistan had recently accomplished in its attempts to revitalize its WTO accession process. Hence, Afghanistan, as its immediate neighbour, commended Uzbekistan's commitment to become a full-fledged WTO Member. Uzbekistan's accession to the WTO would contribute to the integration of the Central Asian economies and boost trade and investment ties within and beyond the region.

5.20. Afghanistan praised Members for granting observer status to Turkmenistan. As Turkmenistan's neighbour, Afghanistan was happy to note that the Government of Turkmenistan intended to initiate negotiations for accession to the WTO within five years and looked at the observer status as a tool for their Government to familiarize with the WTO rules and procedures, and to prepare for initiation of the accession negotiations.

5.21. As the co-founder of the g7+ WTO Accessions Group, Afghanistan urged all Members to extend their support to the Acceding Governments to conclude their accessions process, in particular, to support the efforts of the post-conflict acceding members. Afghanistan looked at the WTO accessions process and membership as an effective way to facilitate peace, stability and prosperity through conducting WTO-related legal and institutional reforms, trade integration and participation in international trade and value chains. Afghanistan therefore called on all Members to consider the specific challenges of LDCs and conflict-affected states during their accessions process especially in those challenging times.

5.22. The representative of China appreciated the Secretariat for the insightful report and its outstanding efforts to facilitate accession negotiations and thanked Working Party Chairs for their active engagement to advance the accessions process. Progress made in 2020 was precious and impressive in the context of the enormous disruption caused by the pandemic. As DDG Wolff had pointed out, China was pleased to note that the Ninth Roundtable on LDC Accession under the China Programme had been successfully held last December with over 100 officials attending online. China hoped that its recent contribution to the China Programme would further promote WTO's accession affairs in 2021. China looked forward to a breakthrough of new WTO Members as early as possible and encouraged Members to restrain their requests at a proper level of ambition taking into account the challenges that acceding LDCs were facing.

5.23. The representative of Kazakhstan commended the Accessions Division for its continued support to all acceding governments through facilitating accession processes, sharing accession knowledge and delivering technical assistance, training and outreach activities. Universal Membership was a critical factor in strengthening the rules-based trading system. As a recently acceded Member, Kazakhstan believed that accession to the WTO would create valuable opportunities for economic growth and development of acceding countries, support domestic economic and trade policy reforms and enhance access to larger markets.

5.24. While their ability to make progress towards accessions in the first instance depended on the individual efforts of each acceding government, WTO Members could and should facilitate the process. Discussions at the Ninth China Roundtable at which Kazakhstan had also participated had provided plenty of food for thought in that respect. That had been a welcome opportunity to reflect on whether the WTO accession process after 25 years had still been fit for purpose to best serve the interest of WTO Members and acceding governments. Building on some of the ideas emerging from the roundtable, Kazakhstan would circulate in the coming weeks a proposal on reform of the accession process. Kazakhstan considered that to be a key dimension of WTO Reform in general and looked forward to engaging with other Members.

5.25. Kazakhstan expressed its full support to the accession of the Republic of Belarus as the only remaining Eurasian Economic Union member that had yet to become a WTO Member. The legal basis of the EAEU was fully compliant with the WTO rules which ensured the conformity of Belarussian Legislation with WTO norms. Kazakhstan also commended the comprehensive efforts within the WTO accession process made by Uzbekistan – its neighbour and key partner in Central Asia and an observer in the EAEU. Obtaining by Turkmenistan an Observer Status with the WTO highlighted the importance that the Central Asian Region attached to the multilateral trading system. The addition of new Members always enriched the WTO and projected it as a truly universal organization.

5.26. The representative of Turkey had always been a firm supporter of WTO Accessions. Accession processes were mostly success stories for the entire Membership. On one hand, accessions were accompanied by profound domestic transformation for new Members. On the other, they extended the coverage of international trade for everyone. As the Chair of the Working Party for Belarus, he could say that accession was indeed a complex and demanding process but the strong dedication of Belarus to its accession process during the last five years had greatly facilitated work and significant progress had been possible. The Thirteenth Working Party meeting on the accession of Belarus which had been scheduled for March 2020 had to be postponed due to the pandemic. The process was currently hindered due to both the pandemic and the developments during fall 2020. He hoped that they could revitalize that accession process soon.

5.27. The representative of the Russian Federation commended the Secretariat on its hard work aimed at supporting acceding countries, in particular LDCs, in fulfilling their objectives. The Annual report on Accessions presented by the Secretariat stated that there were couple of acceding countries chosen as "strategic focus" for 2021 with a view to finalizing their accessions by MC12. Without downplaying the efforts and expectations of those countries to wrap up their accessions, Russia had some observations in that regard. The mere fact that a country was selected as a "strategic focus" should not automatically mean that its accession was at arms' length. All depended on the devotion, political will and practical actions of the acceding government as well as on the engagement of the Working Party members.

5.28. Russia therefore urged the Members and the Secretariat to treat all acceding countries on equal basis, providing equal chances and rights to join the WTO. There should be no first-tier and second-tier countries among them and no one should be left behind in the process of accession. It went without saying however that Members should provide all necessary assistance to acceding LCDs making their way to the WTO as smooth as possible. Russia expected more actions to be made, both by the Members and by the Secretariat, regarding every country wishing to accede to the WTO at the MC12. There were several active accessions at a very advanced stage such as Belarus and some other countries, including from the CIS region, who had managed to accelerate their accession processes recently in spite of the limitations caused by pandemic. Their efforts should be encouraged and supported. Russia, for its part, would continue to promote the expansion of the WTO Membership, paying special attention to the accession of Belarus.

5.29. The representative of the Kingdom of Saudi Arabia, on behalf of the Arab Group, appreciated the efforts made by the Chairs of the Working Parties in 2020 despite the pandemic and expressed

the importance of expediting the WTO accession processes. Almost 40% of the acceding Members were from the Arab region. The acceding LDCs should be given priority. In that regard, 50% of the Arab acceding countries were LDCs and should be given flexibilities and receive technical support to move ahead in their accessions. The Republic of Comoros was identified as a strategic focus for 2021. The draft report of its Working Party had been revised by the Secretariat. It should be given a priority to finalize its accession to the WTO by MC12. The Arab Group looked forward to the proposal coming from Kazakhstan that could also be a good basis for expediting accessions and, more broadly, to working with the Secretariat and other Members to help Arab countries to better integrate into the multilateral trading system.

5.30. The representative of the United States was a strong advocate of the WTO accession process because of its proven ability to make important, long-term contributions to sustainable development for Members at every stage of development. Fundamentally, the WTO accession process was a process of domestic reform in which applicants implemented market-oriented, trade-liberalizing measures to align their trade regimes with WTO rules and principles, and to provide meaningful market access. Implementing WTO provisions provided a predictable and stable legal framework that supported important national economic goals such as achieving sustainable growth, promoting high-tech industry, attracting foreign investment, raising living standards, integrating into world markets and asserting national trade interests worldwide.

5.31. That work produced results in practice, not just in theory. The Director-General's 2020 Annual Report on WTO Accessions once again showed that Article XII Members outperformed the rest of the Membership in terms of growth in GDP, trade in goods and services, and inward investment in the years following their dates of accession, as traders and investors saw for themselves the improvements achieved during the accession process. In short, countries that had the opportunity to accede under Article XII, by virtue of the reform process they undertook, would become stronger and more resilient.

5.32. The United States was significantly involved in every accession and often provided technical assistance to address specific needs that applicants brought to its attention. Like other Members, the United States had commercial interests to pursue through the accession process and it pursued them with appropriate attention. The United States also had systemic interests at stake to ensure that each accession upheld and improved the trading system.

5.33. The United States saw the iterative Working Party process, including the questions-and-replies, as a critical tool for acceding governments to learn WTO rules and principles and to push through what they all recognized could be difficult reforms. In that way, the Working Party process itself delivered free technical assistance to reform-minded applicants. In its long experience, calls to accelerate accessions do a disservice to developing countries, particularly LDCs. Such calls seemed to prioritize the date of accession rather than the reforms and implementation of WTO rules that made accession worthwhile.

5.34. The representative of Belarus, on behalf of the Informal Group of Acceding Governments, speaking as an Observer, noted that Dr. Ngozi Okonjo-Iweala's expertise and rich professional experience would be instrumental in the process of reforming and further strengthening of the WTO and would consequently inject new dynamics to the whole multilateral trading system. Belarus welcomed the publication of the Annual Report on WTO Accession 2020 and valued that day's discussion on the important matter. Belarus thanked DDG Wolff as well as Ms. Maika Oshikawa, Director of Accessions Division, and her team for the valuable support to acceding governments in 2020 despite the unprecedented challenges due to the COVID-19 pandemic outbreak.

5.35. For the past 25 years, accessions had been an important pillar of the organization's work which had made significant contributions to achieving universality of world trade membership. At the first General Council meeting of Dr. Ngozi as Director-General, the acceding governments reiterated their continuous commitment to embrace the WTO rules and principles to make the multilateral trading system and the global economy even more sustainable and effective. In that regard, as Dr. Ngozi assumed her role as Director-General, the Informal Group of Acceding Governments cordially invited her to meet with the Ambassadors of the members of the group at her earliest convenience to exchange views on advancing the accessions process for the benefit of both acceding governments and the entire WTO Membership.

5.36. On behalf of Belarus, he assured the Director-General that the Republic of Belarus attached great importance to the WTO. Belarus continued its accession negotiations to the organization with a view to become a full-fledged Member in the near future. The Director-General's personal involvement along with the strong support of all Members would give substantial boost towards achieving that goal. Belarus counted on the continuation of the valuable assistance of the Secretariat and would be grateful if it could remain as a strategic focus under the Director-General's leadership.

5.37. Belarus fully supported the Secretariat plans to expand and upgrade its capacity to deliver technical assistance, training and outreach activities. In 2020, Belarus had successfully conducted two national virtual training sessions on the SPS Agreement and the TFA and on pricing policies. In 2021, Belarus planned to hold at least another two training sessions on non-tariff measures and on trade-related investment measures.

5.38. Belarus closely followed the ongoing WTO negotiations on fisheries subsidies, services domestic regulation and on the JSIs on e-commerce, investment facilitation and MSMEs. Belarus announced that following the invitation from Uruguay, the Coordinator of the Informal Working Group on MSMEs, Belarus would soon become the first observer government officially endorsing the package of the recommendation on MSMEs adopted in December. The official notification would be transmitted to the Secretariat later that week.

5.39. Belarus called upon Members to keep WTO accessions among the WTO priorities during and in the post COVID-19 period despite all current difficulties including in the preparation process for MC12. Accessions were vital for the WTO to reconfirm its relevance and openness for a trading environment that would make its Membership truly global and universal.

5.40. The representative of Uzbekistan, speaking as an Observer, congratulated Dr. Ngozi Okonjo-Iweala for her appointment to the important post of Director-General of the WTO. The Dr. Ngozi's extensive experience in international economic relations and high professionalism would contribute to leading the WTO towards making the organization more responsive to the world's needs on trade and overcoming the obstacles of the COVID-19 pandemic on the global level.

5.41. Uzbekistan welcomed the 2020 Annual Report on Accessions and thanked DDG Wolff, Ambassador Paik of the Republic of Korea – Chair of the Working Party on the Accession of Uzbekistan, Ms. Maika Oshikawa and her team in the Accessions Division for their comprehensive and constant assistance provided to Uzbekistan during the accession process. Despite the fact that 2020 had become an unprecedented year due to the COVID-19 pandemic outbreak, after a fifteen year break, the resumed meeting of the Working Party on the Accession of Uzbekistan to the WTO had been held on 7 July 2020 in hybrid format for the first time in the history of the organization. In that regard, Uzbekistan thanked all Members for convening that important meeting.

5.42. The 2020 Annual Report had rightly indicated that the meeting signalled the desire to use WTO membership negotiations to drive domestic economic reforms which had broader implications in the region. Since 2017, under the leadership of the President of Uzbekistan, H.E. Mr. Shavkat Mirziyoyev, actions had been carried out aimed at building an open State with a market economy. Uzbekistan's development strategy for 2017 to 2021 foresaw the implementation of the targeted measures to liberalize the foreign trade regime, currency regulation, customs and tax administration which created the most favourable conditions for the accession of Uzbekistan to the WTO. Many of those measures had already been implemented.

5.43. As had been indicated by the President of Uzbekistan in his annual address to the national parliament in December 2020, the accession to the WTO was one of the main priorities for the country. Uzbekistan considered the process as an integral part of the ongoing reforms aimed at its further integration into the world economic community and the multilateral trading system. Uzbekistan built on the belief that liberalization of access to the market of goods and services should not have a negative impact to sectors of the country's economy particularly those that were at a stage of formation or modernization and had good development potential. In that regard, Uzbekistan was interested in becoming a WTO developing country Member and in making its effective contribution to the further development of the multilateral trading system. Uzbekistan hoped that all Members would support such proposal.

5.44. As an acceding country, Uzbekistan welcomed and awaited with great interest the launching of the new Accessions Web Portal as well as the publication of two books focused on accessions. In 2021, Uzbekistan would continue and accelerate its accession process. Last month, Uzbekistan had submitted to the Secretariat the following documents: notification on industrial subsidies, questionnaire on state-trading enterprises, information on domestic support and export subsidies in agriculture. Uzbekistan would soon submit replies to Members' questions and together with the Secretariat, it would prepare the factual summary on the points raised. Based on its country's strong political will to integrate the economy of Uzbekistan into the global markets of goods and services, Uzbekistan had launched extensive work to bring its national legislation in line with requirements of the WTO and to involve all stakeholders in that process.

5.45. As regards holding the next Working Party meeting, Uzbekistan was expecting it to be held in the end of April or beginning of May 2021. That would depend on the global epidemiological situation. Uzbekistan would work closely with the Secretariat in that regard and stood ready to continue bilateral market access negotiations with interested Members of the Working Party.

5.46. The representative of Sudan, speaking as an Observer, associated with the statements by the Informal Group of Acceding Governments, the African Group, the Arab Group and the g7+ Group. Sudan congratulated Dr. Ngozi Okonjo-Iweala on her well-deserved appointment as Director-General of the WTO and expressed the full support of the Government of Sudan to her and its intention to work closely with her. Her wealth of knowledge and expertise would give a much needed boost to the work of this august organization and revitalize the objective of achieving a transparent, inclusive and sustainable global trading system that benefitted all.

5.47. Sudan reiterated its full commitment to conclude the accession process. During the transitional period and the transitional government of Sudan under the leadership of Prime Minister Abdalla Hamdok, Sudan had embarked on serious economic reforms with firm conviction that it was in the best interest of the economic development of the country to integrate into the global economy. Sudan looked forward to receiving the requisite technical assistance needed in that regard.

5.48. Sudan was resuming its accession process and would also be hosting the regional dialogue on WTO Accession for Africa in June, hopefully in person. Sudan declared its readiness to kickstart the Informal Working Group meeting expected to take place on 11 March. The delegation of Sudan for that meeting would be led by its Minister of Trade and Supply who had been recently appointed. Sudan expressed its gratitude to the Members and their continuous support. Sudan also thanked DDG Wolff, Mr. Katsuro Nagai of Japan – Chair of the Working Party on the Accession of Sudan and the Accessions Division for their tireless efforts, encouragement and continuous support.

5.49. The representative of Ethiopia, speaking as an Observer, congratulated Dr. Ngozi Okonjo-Iweala as the first woman and first African Director-General of the WTO and associated with the statements by the African Group and the Informal Group of Acceding Governments. Ethiopia commended the Secretariat for the 2020 Annual Report on Accessions. The African countries had established the largest regional market – the AfCFTA – that was compatible to the WTO Agreements. Nine countries, including Ethiopia, were signatories of the AfCFTA and also negotiating to accede to the WTO in parallel even during the COVID-19 pandemic. Ethiopia was confident that Members would recognize the challenges of making intensive trade measures in relation to their regional integration programme and operationalizing obligatory commitments and concessions as a result of accessions.

5.50. With the aim of universalizing the multilateral trading system in balanced terms consistent with the level of development, ambition and developmental needs of acceding countries, Ethiopia urged Members to implement the easy mechanism of concluding accession processes and the regional integration agenda addressing the challenges therein of acceding Members and to consider the impact of the current COVID-19 pandemic in operationalizing obligatory commitments and concessions. Ethiopia urged Members to restrain in seeking market access concessions and commitments that would increase the challenges it faced and were beyond its level of development. Though it was established fact that the Marrakesh Agreement stipulated that accessions were done through negotiations, Ethiopia hoped to benefit from the wisdom and experience of the new Director-General and the role of her office in facilitating to speed up the lengthy accessions process. Ethiopia hoped that a significant number of accessions would be registered in 2020 and the years to come.

5.51. The representative of Curaçao, speaking as an Observer, congratulated Dr. Ngozi Okonjo-Iweala for her recent appointment as the Director-General of the WTO. Given her impressive professional and political background, Members could not have wished a better person to assume that important position at those critical times for the world and for the WTO. Curaçao wished her all the best in guiding the Secretariat and the multilateral trading system to the next level.

5.52. It had been exactly one year since the General Council had approved the establishment of the Accession Working Party on 3 March 2020 for the accession of Curaçao to the WTO as a separate customs territory and autonomous country in the Caribbean part of the Kingdom of the Netherlands. Although the ongoing international pandemic had caused many inconveniences, since March 2020, Curaçao had continued its preparations to become a full Member of the WTO. In that regard, Curaçao had recruited several skilled professionals to add to the number of its negotiation team and the Permanent Commission for International Trade and Foreign Economic Relations of Curaçao.

5.53. In addition, Curaçao had requested and had received technical assistance from the Secretariat directed towards capacity building for its WTO team with respect to the substance of the various agreements that were annexed to the Marrakesh Agreement. Curaçao intended to continue cooperating closely with the Secretariat in the period leading up to the first meeting of the Accession Working Party and the negotiations related thereto. During the past year, Curaçao had also undertaken a comprehensive stocktaking exercise in terms of international trade rules, regulations and policies with respect to goods, services and intellectual property rights in order to process the results in the Memorandum on the Foreign Trade Regime of Curaçao.

5.54. Curaçao welcomed the organization of MC12 in Geneva at the end of the year and hoped for a positive outcome in the interest of all Members. Curaçao congratulated the Chairman, the Deputy Directors-General and all the other officers of the WTO bodies for the work done during the past year under trying circumstances due to the COVID-19 pandemic. Curaçao wished them, including the incoming Chairman of the General Council, Ambassador Castillo, much wisdom to continue serving the WTO and the multilateral trading system.

5.55. The representative of the Syrian Arab Republic, speaking as an Observer, congratulated Dr. Ngozi Okonjo-Iweala on her appointment as Director-General of the WTO and thanked DDG Wolff and the Secretariat for the 2020 Annual Report on WTO Accessions. Syria associated with the statement by the Informal Group of Acceding Governments and joined other colleagues that had stressed the importance of accelerating and streamlining the accessions process especially in that difficult time which proved that they were all in this together. Syria looked forward to working together with other delegations to move forward that goal and assured them of its full cooperation.

5.56. The General Council took note of the Annual Report on Accessions circulated in document WT/ACC/38 – WT/GC/228 and of the statements.

6 TRIPS COUNCIL MATTERS

6.1 STATUS REPORT ON THE CONSIDERATIONS BY THE TRIPS COUNCIL ON THE "PROPOSAL FOR A WAIVER FROM CERTAIN PROVISIONS OF THE TRIPS AGREEMENT FOR THE PREVENTION, CONTAINMENT AND TREATMENT OF COVID-19" (IP/C/W/669) – STATEMENT BY THE CHAIR OF THE COUNCIL FOR TRIPS

6.1. The Chairman noted that the item related to a status report by the TRIPS Council Chair on the "Proposal for a Waiver from Certain Provisions of the TRIPS Agreement for the Prevention, Containment and Treatment of COVID-19" in document IP/C/W/669 and its addenda. Since the December meeting, he understood that the Council for TRIPS had considered the request again at its informal and formal meetings in January and February. He therefore invited Ambassador Mlumbi-Peter to provide a status report on the Council's consideration of the matter.

6.2. Ambassador Xolelwa Mlumbi-Peter (South Africa), Chair of the TRIPS Council, reported that, at the meeting of the TRIPS Council on 15-16 October 2020, India and South Africa had introduced document IP/C/W/669, requesting a waiver from certain provisions of the TRIPS Agreement for the prevention, containment and treatment of COVID-19, which had been circulated on 2 October 2020 and had since been co-sponsored by the delegations of Kenya, Eswatini, Mozambique, Pakistan, Plurinational State of Bolivia, Bolivarian Republic of Venezuela, Mongolia, Zimbabwe, Egypt, the

African Group and the LDC Group. The Council had continued its discussions under that agenda item at informal meetings on 20 November and 3 December, as well as at its resumed meeting on 10 December 2020. Following the status report to the General Council on 16-17 December 2020, the Council had continued its consideration of the waiver request at informal meetings on 19 January and 4 February 2021, and at its formal meeting on 23 February 2021.

6.3. At those meetings, delegations had highlighted the common goal of providing timely and secure access to high-quality, safe, efficacious and affordable vaccines and medicines for all. Delegations had exchanged views, had asked questions, had sought clarifications and had provided replies, clarifications and information, including through documents IP/C/W/670, IP/C/W/671, IP/C/W/672, IP/C/W/673 and IP/C/W/674, on the waiver request but could not reach consensus, including on whether it was appropriate to move to text-based negotiations. Delegations had indicated a need for further discussions on the waiver request and views exchanged by delegations.

6.4. That meant that the TRIPS Council had not yet completed its consideration of the waiver request. The TRIPS Council would therefore continue its consideration of the waiver request and report back to the General Council as stipulated in Article IX:3 of the Marrakesh Agreement.

6.5. The Chairman thanked Ambassador Mlumbi-Peter for her report on the discussions in the TRIPS Council, and as had just been heard, the TRIPS Council would continue to work on that matter.

6.6. The representative of Vanuatu, on behalf of the Pacific Group, associated with the statements by the ACP and the LDC Group. All countries were affected by COVID-19 including many small developing countries like Vanuatu that were import dependent and did not have the capacity to produce vaccines and medical supplies and equipment to contain and treat the virus. While understanding that intellectual property rights granted legal certainty to support innovation, Members should also ensure that intellectual property rights did not become the barrier to equitable access to vaccines and essential supplies and equipment at affordable prices. The Pacific Group therefore encouraged all Members to engage constructively on the proposal to find a balanced way forward to safeguarding intellectual property rights and ensuring affordable access for essential supplies to combat the pandemic.

6.7. The representative of the Republic of Korea reiterated that, in order to effectively respond to COVID-19, the international community should make utmost efforts to ensure the equitable access to vaccines, diagnostics and effective treatments for all in a timely manner. To do so, Members should ramp up the production and distribution of vaccines and essential medicines. In that vein, Korea welcomed that many countries had recently decided to increase contribution to the COVAX Facility. Korea had also contributed USD 10 million to COVAX AMC.

6.8. The existing IP framework had enabled current international collaboration. In order to ensure the sustainability of such collaboration, Members should be cautious to strike the balance between the protection of IP rights and the promotion of public health. Korea was concerned that COVID-19 could not be the last pandemic known to humanity. For that reason, Members should cautiously safeguard the IP system for constant innovation. Although Members had not reached an agreement yet, the exchange and discussions had not been wasted. Korea found the detailed discussions extremely useful and Members should continue to explore a possible landing zone. Korea looked forward to having further constructive discussions on the proposal.

6.9. The representative of Morocco recognized the fundamental role of research and development in the deployment of new, innovative and effective health technologies. In most cases, development was undertaken by private sector companies, paid for by substantial financial investments, as well as public funding, and should be rightly recognized and encouraged. Nevertheless, in the particular context of the COVID-19 pandemic and in the light of the common challenges faced, the international community should not remain indifferent. It had a duty and responsibility to play its part in trying to curb the crisis and, in particular, to avoid that apparently impending moral failure.

6.10. Faced with such a crisis, and so that the WTO would not be remembered for posterity for that potential collective moral failure, intellectual property should not pose an obstacle to the humanistic values that should prevail over any other priority in such circumstances. As a multilateral organization responsible for international trade, the WTO should seize that opportunity to assert its relevance and strengthen its credibility at the global level, in particular, by implementing, for as long

as necessary, the relevant temporary adjustments to meet the current challenges. With that in mind, Members should combine their efforts to respond to the shortages of tools to tackle COVID-19, including vaccines, by allowing the optimal use of all the means of production available around the world and consequently subscribing, in a tangible manner, to an equitable global distribution of those tools, in particular, to the most vulnerable.

6.11. The representative of Pakistan recalled that the Chair had said that the appointment of Dr. Ngozi Okonjo-Iweala marked the beginning of a new chapter for the WTO – one that Members hoped would be remembered for the contribution the WTO made to living up to the objectives of the Marrakesh Agreement in achieving sustainable development, full employment and raised standards of living for the poorest of the world. Pakistan was confident that, through Dr. Ngozi's stewardship, Members could fulfil that responsibility effectively.

6.12. Pakistan recalled all its previous statements on the issue in the General Council and the TRIPS Council at the formal and informal meetings. That was the most important issue confronting the globe at that time. The pandemic continued unabated with new mutant strains being reported regularly. Supply constraints of COVID-19 vaccines were becoming more acute even in developed countries. On top of that, vaccine hoarding had become pronounced in countries that had developed the vaccines. Poor countries on the other end of the spectrum were faced with the possibility of having extremely limited access to vaccines even by 2024. Calls from the WHO, UNAIDS and other civil society organizations were getting louder for a global public vaccine as well as calls from senior members of Parliaments and religious groups in advanced countries including country heads to allow the waiver in order to make the vaccine available to everyone across the globe.

6.13. It was concerning to note from a report the previous day that one country that had developed a vaccine nine months ago had chosen instead to go with large pharmaceutical companies. Such reports, unfortunately, confirmed its fears that it had been voicing in the General Council and the TRIPS Council that the vaccine would become subject to monopolistic profiteering of large pharmaceutical companies at the cost of human lives. The Director-General of the WHO had described that situation as a catastrophic moral failure.

6.14. The current pandemic required collective global action to tackle IP barriers at a more comprehensive level. Members had been discussing the waiver proposal in great detail for the last several months. Pakistan thanked all delegations who had engaged on the subject and it was happy that the co-sponsorship had grown significantly. As custodians of the world trading order, no Member would like to be known for saving fish but not human lives. It was time for them to put their heads together and engage at a deeper level on the text of the proposal and find a solution to that problem.

6.15. Members had just heard the announcement of the MC12 date and venue. Given the present situation of vaccination across the globe, that would present various challenges to organize MC12 successfully. Either Members would have to make sure enough vaccines were sent out to vaccinate all potential delegates who would visit Geneva or they would have to make those who had been vaccinated as their delegates. Alternatively, they could even need two halls in Geneva during MC12 – one for the vaccinated and another for the non-vaccinated. Pakistan left the Members with those thoughts to visualize as they thought about MC12, vaccines and the pandemic.

6.16. The representative of Bangladesh was encouraged by the introductory statement by Dr. Ngozi Okonjo-Iweala that day. She had taken over the charge at a critical juncture of the global trade body. Bangladesh looked forward to working with her and extended its full cooperation to her in Members' collective journey to strengthen the WTO, an important pillar of the global economic infrastructure, so that they could achieve a rules-based, fair and transparent multilateral trade regime that benefited them all.

6.17. Bangladesh associated with the statement by the LDC Group. The LDC Group, including Bangladesh, had been pleased to co-sponsor the draft submission pioneered jointly by India and South Africa. Bangladesh had earlier stated that a threat to public health in one society was a threat to every society. That could not be overstated. The COVID-19 pandemic had severely impacted everyone. No country – rich or poor, developed or developing – had been spared. As Members strived to fight the virus, they should join hands and rise above narrow national interest.

6.18. It was time for Members to guarantee access to effective vaccines, diagnostics and therapeutics against the virus, by all, for all. The scientific advances made against the virus thus far should be shared with all nations without any condition and make them accessible and affordable following the principles of equity and solidarity. TRIPS or any other regulatory framework should not be brought as a hindrance to the transfer of technological know-how in fighting the deadly virus. Members should refrain from exploiting the situation for profit during the most severe health crisis in modern history. As such, Bangladesh requested Members to favourably consider the proposal.

6.19. The representative of Nigeria said that it was no news that COVID-19 had adversely affected lives and livelihood globally especially in developing and least developed countries that were disproportionately impacted. Currently, the heart-breaking news for almost all developing countries was that they had no choice but to wait helplessly to access lifesaving vaccines because high-income countries had procured all existing vaccines and those yet to be produced thereby rendering COVAX handicapped. What was needed to save the world was rapid access by every country to affordable diagnostics, therapeutics and vaccines to combat COVID-19. It was however highly unlikely that that could be achieved under the current circumstances when Members were in a race against time to save millions of lives while faced with huge and ever-increasing supply-demand gap. The solution therefore rested in their ability to ramp up production of diagnostics, therapeutics and vaccines especially in developing countries.

6.20. Certain provisions of the TRIPS Agreement constituted barriers to ramping up of production in developing countries and existing limited and restrictive voluntary licenses had not helped the situation. Furthermore, the flexibilities of TRIPS Article 31 and 31bis were not sufficient given that they were not designed to address the challenge of global health emergencies such as that posed by the COVID-19 pandemic. There was also the issue of insufficient or no manufacturing capacity occasioned by technological gap and lack of technical know-how. It was for those reasons that the need for an agreement by the General Council on a waiver from the implementation, application and enforcement of Sections 1, 4, 5 and 7 of Part II of the TRIPS Agreement in relation to prevention, containment or treatment of COVID-19 could not be overemphasized.

6.21. Members had a shared responsibility to work together to ensure that intellectual property rights did not create barriers to the scaling-up of research, development, manufacturing and supply of medical products essential to combat COVID-19. It was in that light that Nigeria had co-sponsored the proposal. The importance of the proposal could not be overemphasized as millions of lives globally continued to be at risk due to the pandemic. Indeed, no one was safe until everyone was safe. Nigeria therefore called on all Members to support the proposal. Nigeria thanked Members of the European Parliament (MEPs) as well as Civil Society organizations in the United States and around the globe who were sympathetic to the plight of developing countries in the current COVID-19 situation and had called on Members to support the proposal.

6.22. The representative of Mozambique noted that, although recognizing the challenging times facing the global community and the organization, Mozambique was confident that under the leadership of the Dr. Ngozi Okonjo-Iweala and a positive engagement and contribution of every Member, success would be achieved. Mozambique thanked all Deputy Directors-General, the Chair of the General Council, the Secretariat and all Members for the continuous work and engagement throughout the transitional period, clearly showing the commitment to advance WTO work. Mozambique associated with statements by the LDC Group, the African Group and the ACP including on natural disasters and trade and on WTO Accessions.

6.23. On the agenda item in discussion, Mozambique thanked the TRIPS Council Chair for the report that described the status of the work of the Council on the submission for a Waiver on Certain Provisions of the TRIPS Agreement by India and South Africa, to which Mozambique, along with many others, was a co-sponsor. Mozambique reiterated gratitude for the initiative and commended the Chair on the way she had been facilitating the discussions on the issue. Mozambique recognized Members' continuous engagement to advance the proposal and agreed with the suggestions put forward to advance to a text-based discussion with the aim of achieving convergence.

6.24. Mozambique, like many LDCs, SVEs and some developing countries, faced limitations including on its capacity to produce medical goods and equipment and vaccines that could ensure prevention, treatment and elimination of COVID-19. The submission for a Waiver on Certain Provisions of the TRIPS Agreement with a view to contain, prevent and eliminate COVID-19, if acceptable and collectively agreed, would enable countries like Mozambique to benefit from the

results of the massive production that would be able to be carried out. More countries could therefore be given an opportunity to also engage in the production thus contributing to the much needed ramping up of supply of COVID-19 vaccines.

6.25. Those would ensure wider availability, reduction on costs and an equitable and speedy distribution of vaccines. The centuries old tale suggesting that one should not give fish to a hungry man seeking fish but instead to teach and give him conditions to learn how to fish was important and applicable in the current context. The COVID-19 pandemic called for a collective, simultaneous and rapid response. The more countries were provided with the capacity to massively produce all the necessary tools to respond to the COVID-19 crisis, the better the world would be in equipping itself to urgently eliminate COVID-19.

6.26. The representative of Jamaica, on behalf of the ACP, thanked Ambassador Xolelwa Mlumbi-Peter for her report and her sterling performance as Chair of the TRIPS Council. The ACP Group endorsed the public health objectives of the proposal which was to ensure that their people had affordable access to medicines, vaccines and other items required to prevent, treat and contain the virus. The proposal came during the most devastating health crisis in their lifetime. The COVID-19 pandemic was unprecedented and had caused major disruptions socially and economically. While all countries had been significantly impacted by the pandemic, the capacity of developing countries and LDCs to respond to the multidimensional crisis was severely constrained by already stretched public finances and fragile healthcare systems. The WTO had an important role to play in global initiatives to preserve the health and save the lives of millions of people across the globe.

6.27. The ACP Group was encouraged by the robust discussions and exchanges on the proposal and called for the continuation of discussions with the same vigour in different formats so as to find an outcome as soon as possible in the interest of humanity. Some of its members were already co-sponsors. The ACP Group was consulting on the proposal internally with a view to constructively engage in those discussions. The Group thanked the co-sponsors for their hard work and invited other Members to engage constructively with a view to finding a landing zone. In order to move to such a landing zone, the ACP Group would support a move to text-based discussions. That seemed to be the most effective way to tailor the waiver to a consensus approach without being tied up in a continuous evidentiary loop. The health and lives of people should always be their priority and the ACP Group was confident that WTO Members were capable of delivering for and on behalf of their people in those most difficult times.

6.28. The representative of South Africa associated with the statements by the ACP and the African Group. South Africa thanked the Chair of the TRIPS Council for the status report that she had just presented and congratulated her for the able and even-handed manner in which she had steered the work of the TRIPS Council. The report rendered an impartial and factual update on discussions held thus far. As apparent from the status report, co-sponsors had provided various clarifications and written replies to address issues and questions raised by other Members in various formats, including in formal and informal meetings of the TRIPS Council, small group meetings and bilateral meetings. It was apparent that Members had not yet reached consensus on the matter, therefore the co-sponsors, which now included both the African Group and the LDC Group, were in favour of moving to text-based discussions based on Article IX:3 of the Marrakesh Agreement.

6.29. As the Director-General had pointed out, Members did not have time. In order to save lives, that issue should be addressed in the shortest possible timeframe. Based on current estimates, it was unlikely that enough vaccines would be manufactured in 2021 or even 2022 to meet the global demand or to achieve global population immunity. The Director-General had emphasized that the normal capacity of production stood at 3.5 billion doses and manufactures currently sought to produce at least 10 billion, the global need was likely to be greater than 10 billion doses, given that the world population was 8 billion, and generally 2 doses were required, and with mutations emerging, populations would require to be revaccinated.

6.30. In previous interventions, South Africa had emphasized that unused spare capacity existed in the developing world which should be accessed in order to ramp up production in the shortest possible time. Attempts should be made to engage and allow all possible producers across the world to scale up production. A deal-by-deal approach had not worked and had further marginalized poor countries. Meanwhile, richer countries were ordering enough vaccines to inoculate their entire populations several times over leading to unacceptable vaccine hoarding and vaccine nationalism.

6.31. What the co-sponsors were proposing was a limited and a temporary Waiver that would provide countries with the policy space needed to collaborate in research and development, manufacturing, scaling up and supplying COVID-19 tools which were currently in short-supply. The Waiver was an instrument that was provided for in the WTO legal framework and was part of its legal toolbox. They had indicated their flexibility to engage on the scope and timeframe for the application of the Waiver and were ready to engage in constructive text-based discussions with Members towards a solution. The world could not afford any more delays. That should be the most urgent priority for the WTO. History would judge them harshly should they fail to provide a credible response to the crisis. The time to act was now.

6.32. The co-sponsors had repeatedly commended Members for their generous financial contributions to international collaborative mechanisms such as COVAX. 180 countries including 90 self-financing upper middle-and-high income countries and 92 low-and-middle income countries were participating in COVAX. However, it was quite evident that COVAX had not yet secured sufficient funding for an adequate number of vaccines to reach its goal of 20% coverage for all participating countries in 2021. That posed a challenge for many countries that primarily relied entirely or largely on COVAX to secure access to vaccines. Focusing on the immediate needs of dozens of poor countries was a priority and South Africa looked forward to working with the Director-General and other Members to achieve that goal by passing the waiver as soon as possible. Only truly global and inclusive solutions would save lives. The Waiver was the only possible way to address universal, equitable and timely access to live-saving medical products, including vaccines, diagnostics and therapeutics. That would allow Members to control the pandemic, save lives and start to address economic reconstruction and resilience.

6.33. The representative of Egypt associated with the statement by the African Group. Egypt had stated in the last TNC meeting that in order for the WTO to remain relevant, it should actively contribute to the global response to the current global crisis due to the unprecedented challenges posed by the COVID-19 pandemic especially in developing and least developed countries in addition to laying the groundwork for a fair and equitable global economic recovery. A few days ago, the UN Secretary-General had stated that the progress on vaccination had been widely uneven and unfair with just ten countries having administered 75% of all COVID-19 vaccines while more than 130 countries had not yet received a signal dose.

6.34. That statement together with what had just been mentioned by Dr. Ngozi Okonjo-Iweala indicated the urgency of reaching a decision on the Waiver Proposal as soon as possible. Members could not continue to ignore the severity of the current crisis. Egypt therefore urged all Members to constructively engage in text-based negotiations in the TRIPS Council to reach consensus on the Waiver to prove that the WTO could contribute to addressing that unprecedented crisis and help to build the resilience of its Members to respond to similar global crisis in the future. Egypt, together with an increasing number of co-sponsors of the proposal, would continue outreach efforts to convince all Members to support the waiver in order to help in putting an end to the pandemic.

6.35. The representative of Indonesia said that, in the current global health crisis, the right to access to health was equal to the right to life. The proposal and its subsequent discussions had further clarified the close and sometimes difficult relation between the TRIPS Agreement and Public Health. While the TRIPS Agreement provided flexibilities for Members such as compulsory licensing, such flexibilities did not provide an adequate response in ensuring equitable access for medical products during a global pandemic.

6.36. The proposal provided a concrete solution for ramping up the production of medical products including vaccines which would help maximize manufacturing capacity for vaccines on a global scale with a limited period of time. Vaccine nationalism had posed as an obstacle for equitable access to vaccines. At the same time, Members would not escape the danger of the COVID-19 pandemic and its economic impact if they did not address it simultaneously in every corner of the world. Addressing supply scarcity was of paramount importance for Indonesia. Members had the tools in their hands. It was time for them to deliver.

6.37. The representative of Mauritius, on behalf of the African Group, had taken good note of the report of the TRIPS Council Chair and thanked her for her diligent work and the professional manner in which she had conducted the work of the TRIPS Council throughout the year. The African Group recalled that the current pandemic was unprecedented with, over a year later, many other countries still confining or re-confining to be able to face it.

6.38. The deprivation for much needed vaccines would only result in the non-inoculated segments further constituting fertile ground for endless variants of the virus. If Members took that into national perspective, how certain countries became safe and others remained unsafe, they would end up with acute fiscal and budgetary pressure on vulnerable economies, disruption of production and supply of goods and a risk of distorted markets or even collapse – in general, a global downturn again. The African Group did not think anybody would like to see that and that everybody was working towards a situation where they could all be safe.

6.39. On 19 February, the African Group had informed of its decision to co-sponsor the WTO proposal for a Waiver from Certain Provisions on the TRIPS Agreement. The African Group had noted the many calls from various quarters that opposition of the TRIPS Waiver could further exacerbate a north-south divide. The African Group did not wish that. Many of the countries in the African Group were small. They were countries which once they had done their discussion on the WTO they would go to the Human Rights Council and start debating there – including on the right to health.

6.40. So once while the African Group agreed that there could be some obstacles on the way of granting the Waiver, Members needed to discuss all of those and should find that balance between intellectual property issues that were raised and other issues such as the right to health. The African Group was not against intellectual property or preserving of intellectual property. But Members needed to try and find exceptional and conciliatory measures in difficult circumstances. That was why the African Group would support any shift to text-based negotiations as from now.

6.41. The representative of the Philippines expressed its appreciation to the Chair of the TRIPS Council for her tireless effort and dedication in shepherding discussions on the proposed TRIPS Waiver – an issue of transcendental importance to the entire Membership as the world struggled to defeat the COVID-19 global pandemic. As with many delegations, and even groups outside the WTO, the Philippines had been following with keen interest the rich and enlightening exchanges of views and arguments for and against the proposed TRIPS Waiver.

6.42. Given the wide differences, the Philippines concurred with the recommendation to continue discussions at the TRIPS Council on the proposed waiver. Such discussions would eventually feed into the broader conversation on the role of trade, and more specifically, intellectual property, in combatting global pandemics such as COVID-19, and hopefully, reach a tipping point on the issue as an essential component of an effective and comprehensive multilateral response of the WTO to the COVID-19 pandemic.

6.43. The representative of China thanked the TRIPS Council Chair for her hard work in steering the consultations on the Waiver Proposal and supported the status report she had just delivered. Recognizing that the WTO should play its role in finding a common solution to timely and equitable access to COVID-19 vaccines, the Waiver Proposal provided Members with a good starting point for discussions on how to achieve that common objective. China would continue to actively engage in further discussions in whatever format the TRIPS Council Chair deemed necessary and urged Members to show maximum flexibility to address the concerns raised by the proponents.

6.44. China attached great importance to the accessibility and affordability of COVID-19 vaccines among developing Members. China was committed to making COVID-19 vaccines global public goods and had made best efforts to honour that commitment. For example, China had joined COVAX and had decided to provide 10 million doses of Chinese vaccines to meet the urgent demand of developing Members. In the meantime, through bilateral channel, China had exported vaccines to 22 countries and had provided vaccine aid to 53 developing countries. Just as the Director-General had pointed out, supply constraints and vaccine nationalism helped no one since no one was safe until everyone was safe. China would continue to work with all parties to tackle the production deficit and distribution deficit of vaccines and strengthening their global solidarity in the fight against the pandemic.

6.45. The representative of Zimbabwe associated with the statements by the co-sponsors of the proposal for a Waiver from Certain Provisions of the TRIPS Agreement for the Prevention, Containment and Treatment of Covid-19. Zimbabwe, as a co-sponsor, commended the recent decision by the African Union Heads of State and Government to support the Waiver Proposal and noted that the African Group had recently joined as a co-sponsor together with the LDC Group. The

recent groundswell of support by Members was an indication on the importance of the issue in providing a global solution to the COVID-19 pandemic.

6.46. Zimbabwe thanked the Chair of the TRIPS Council, Ambassador Xolelwa Mlumbi-Peter, for the report she had provided which highlighted the factual status of the deliberations. Zimbabwe regretted that, since October 2020, when the proposal had first been discussed, Members had been unable to reach consensus. Zimbabwe, along with other co-sponsors, reiterated the call and invitation for Members to commence text-based discussions which would accommodate the interests of all and looked forward to constructively engage in the TRIPS Council.

6.47. The representative of Cameroon commended Ambassador Xolelwa Mlumbi-Peter, Chair of the TRIPS Council, for her report and associated with the statements the African Group and the ACP. No one was safe until everyone was safe. Members were witnessing a depictable drama wherein each party expected to secure itself from the COVID-19 pandemic while leaving others without the necessary therapeutic tools and vaccines to stop the spread of the virus. To date, more than 2.5 million people had lost their lives due to COVID-19 and, despite commendable efforts by all governments and medical staff, nobody could predict how many more lives should be claimed by the pandemic. But Cameroon was sure of Members' capacity in reducing the surge of the decease and in saving lives by making vaccines and therapeutic affordable to all. That should be their main objective above any other legitimate consideration.

6.48. Cameroon welcomed the various multilateral initiatives in favour of access to vaccines, drugs and medical equipment necessary for the fight against COVID-19. Cameroon reaffirmed its attachment to the principles embedded in intellectual property rights but stressed that the enjoyment of said rights was not necessarily in danger if the States agreed to provide them with specific exemptions. Needless to say, those exemptions would not completely solve the difficulties encountered in accessing vaccines, drugs and medical equipment but would only mitigate them.

6.49. Moreover, no measure whatsoever would provide a complete answer and would be a panacea. The world would need a set of measures that would provide satisfactory solutions to the pandemic. That was why Cameroon joined the proposals made by the African Group, South Africa, India and others. At the same time, Cameroon expressed openness to the subjects listed under Items 9 and 11 of the agenda and invited Members to give them appropriate consideration. Cameroon commended all Members which had expressed solidarity with the proposal and supported access to vaccines as well as the provision of TRIPS flexibilities to combat the pandemic. Cameroon stood ready to work constructively with all Members to achieve early consensus on those matters.

6.50. The representative of Australia welcomed Dr. Ngozi Okonjo-Iweala and had heard her message on the high expectations she placed on Members – which Australia heard loud and clear. Australia thanked the TRIPS Council Chair for the status update on the proposed waiver of TRIPS Agreement obligations. Australia recognized the importance of recent discussions at the TRIPS Council and had engaged carefully in those discussions. Australia had focused on listening to and understanding the concerns of the proponents of the Waiver.

6.51. Australia was pleased that Members were united on the need to support equitable, widespread and timely access to COVID-19 health products including vaccines and had jointly recognized the immense scale of the health and economic challenge presented. As many had already noted, there was a very significant challenge on the scale up of manufacturing. Australia looked forward to further discussions on finding genuine, practical means of assisting the scaling up manufacturing. Australia wanted to work with all Members to determine how best the multilateral IP system could play its part in maximizing the production of and equitable access to COVID-19 vaccines.

6.52. The representative of Chile noted that the arrival and appointment of Dr. Ngozi Okonjo-Iweala ushered in renewed hope at the WTO. Before her arrival, the world had been leaving the WTO behind. Members had been worried about that but it was true and they should do something to move forward. As Dr. Ngozi had mentioned earlier, Members should change the way of interacting between themselves. They had to be responsible for the citizens that they were serving. Opposition had clearly been expressed at the General Council in December and in the TRIPS Council discussions.

6.53. Some important aspects should be taken into consideration in the succeeding discussions on the matter. Chile recalled that the only way of coming to a result was through consensus. Given the

nature of the issue under discussion, Members had to participate constructively in the consultations and the next meetings of the TRIPS Council. Neither the WTO nor the TRIPS Agreement were guilty of the pandemic – and they were not guilty for the lack of production of vaccines and other essential medical supplies and equipment. The WTO was a forum and the TRIPS Agreement had the main objective of reducing obstacles to international trade. Members should not forget that they had the responsibility on the matter. In their next discussions, they should therefore seek constructive solutions within the current IP system.

6.54. In all discussions on the issue, Chile had observed the absence of the pharmaceutical companies. They were in the best position to give factual and concrete information on the potential for manufacturing of vaccines at the international level and the concrete challenges that had to be addressed to be able to increase their production. The problem had many dimensions. Members should not simplify the problem by solely focusing on the IP aspect. It was therefore appropriate to tap onto the experience of the Director-General and to establish a constructive dialogue with the pharmaceutical industry and try and find concrete solutions to increase the output of vaccines at a global level. Chile called on Members to participate in a responsible and constructive way in the future dialogue on the issue. Now more than ever, Members should be careful when promising things to their people. Members needed to clearly know beforehand what they were going to do and what they could deliver for them.

6.55. The representative of Turkey said that IPRs on one hand stimulated research and development, innovation and new technologies. In that sense, they were also instrumental in the fight against major health crisis. On the other, affordable, secure and uninterrupted access to medical supplies was, now more than ever, important. Members should shoulder that responsibility together. The WTO should play its part in assisting the global community's efforts to curb the current pandemic. Members needed to find a third way, a concrete solution without harming the IP rights and their significant implications in other areas. But they should act urgently because human life was at stake.

6.56. The representative of Switzerland was delighted to be working with Dr. Ngozi Okonjo-Iweala and congratulated her again on her appointment. As noted in the report, Members shared a common objective which was to guarantee global, equitable and rapid access to medical products including vaccines. Nevertheless, opinions differed as to the approach required to meet that common objective. Switzerland stood ready to continue discussing that important matter and to enter into talks based on probative and concrete elements in the appropriate forum – the TRIPS Council.

6.57. The representative of New Zealand shared the ambition of other Members to ensure that vital COVID-19 products could move freely and were readily available when they were needed. Members should ensure that COVID-19 recovery did not lock in harmful trade policy responses. To that end, New Zealand looked forward to further and constructive collaboration at the WTO including to better understand the scope and likely effects of the request for a TRIPS Waiver. New Zealand also shared the sentiment raised by others that Members must show their stakeholders, businesses, frontline workers and communities that trade policy could support and facilitate supply chains and response to public health emergencies.

6.58. The representative of Japan appreciated the report made by the TRIPS Council Chair and her efforts to convene several sessions to discuss the waiver proposal. Japan considered it important to aim at leaving no one behind in achieving Universal Health Coverage in responding to COVID-19. Japan had been proactively contributing to multilateral schemes such as the ACT Accelerator and the COVAX Advance Market Commitment. In particular, at the recent ACT Accelerator Fourth Facilitation Council, the Government of Japan had increased its commitment and had contributed USD 200 million in total to the COVAX AMC.

6.59. Further, Japan was going to contribute to the Global Fund, and the Medicines Patent Pool through Unitaids for promoting the distribution of medical products. Japan was convinced that those efforts were practical and effective for achieving timely, fair and equitable access to medical products and remained committed to combatting COVID-19 and future unknown pandemics. In case of specific challenges which Members were facing in procuring COVID-19 vaccines, therapeutics, diagnostics and other medical products, Japan was always willing to have an evidence-based discussion.

6.60. The representative of the Central African Republic noted that, at the end of the previous century, intellectual property monopolies on HIV treatments had meant that people living with HIV in Africa, Asia and Latin America had received access to life saving antiretroviral therapies 10 years later than those living with HIV in developed countries who had immediate access to those same therapies. That delay had led to millions of needless deaths between the end of the 1990s and the mid-2000s before the patent related barriers had eventually been removed to make generic HIV medicines available.

6.61. Through the pandemic, Members had once again witnessed how structural inequalities were impeding efforts to guarantee the timely availability of medicines, vaccines and other tools required for the management of COVID-19 in developing countries. Against the backdrop of the global COVID-19 crisis, the TRIPS flexibilities such as compulsory and voluntary licensing, which had already been difficult to implement under normal circumstances, were even more complex to bring into operation since other intellectual property rights were at stake, thereby preventing technology transfer and large scale production for developing countries.

6.62. The opponents of the Waiver used COVAX to ease their conscience but Members could see how there were not enough vaccines available to ensure equitable and timely access for all. As they held these discussions, the only people receiving vaccines were those in rich countries that were home to a quarter of the global population. People in poor countries were being hit harder by the exceptional health crisis and the economic, social and psychological repercussions that it was having on an entire generation. It would be a moral error to continue with business as usual which benefitted the bilateral agreements prioritizing rich countries.

6.63. The WTO trade rules should not be an advantage for some and a barrier for others. The WHO COVID-19 Technology Access Pool project provided a framework for the transparent transfer of technology and intellectual property in order to facilitate the large scale production of medicines, diagnostics and vaccines for developing countries. Unfortunately, that project was being shunned by pharmaceutical companies which preferred to use restrictive bilateral licences that did not allow for large scale production. However, C-TAP, together with the TRIPS Waiver, would facilitate the transfer of technology and knowhow and scale up local production for people in developing countries. Therefore, the immediate removal of all intellectual property barriers would not only provide legal security and considerable freedom of action, but would also have a bearing on the credibility of the organization and pharmaceutical companies.

6.64. For almost a year, the entire global civilian population had been making sacrifices in solidarity with the most vulnerable among them. The world had applauded health workers for the care given to their loved ones affected by COVID-19. Today, the solidarity that they were calling for entailed a fair division of the sacrifices already made by the entire population. Africa had been especially affected by the delay in HIV treatment. Millions of lives had been sacrificed on the altar of the profits of pharmaceutical multinationals. Millions of children had lost their parents at a young age because of the unjust nature of the current trade rules. Every life mattered, whether that person was rich or poor. Members should urgently conduct negotiations on the content of the texts that would regulate the Waiver.

6.65. The representative of India thanked the TRIPS Council Chair for her leadership and the status report which reflected the developments that had taken place since the last report to the General Council in December 2020. India thanked and welcomed all the co-sponsors including the African Group and the LDC Group. The Proposal reflected the voice of 57 Members with many more supporting from the floor since its introduction in October 2020. Through the documents mentioned in the Chair's report, the proponents had answered all the questions posed in various sessions of the TRIPS Council and had presented evidence regarding the intellectual property barriers that continued to hinder an effective response to the COVID-19 pandemic.

6.66. In a recent study, it had been estimated that the global economy stood to lose as much as USD 9.2 trillion if the international community failed to ensure developing economy access to COVID-19 vaccines. The study showed that advanced economies even if they vaccinated all of their citizens would remain at risk of a sluggish recovery with a drag on GDP if infection continued to spread unabated in emerging markets.

6.67. Three months after the emergence of successful vaccines, the global vaccination scenario still looked grim. The UN Secretary-General in his recent press briefing had noted that the progress on vaccinations had been wildly uneven and unfair and that more than 130 countries had not received a single dose. He warned that if the virus was allowed to spread like wildfire in the global south, it would mutate again and again and that it could prolong the pandemic significantly, enabling the virus to come back to plague the global north. To slow down the ability of the virus to infect new people and mutate further, Members needed true vaccine internationalism and the TRIPS Waiver was an effective and pragmatic way to achieve it.

6.68. On its part, India had supplied 37 million vaccine doses to 35 countries and UN Health workers as of 1 March 2021 under the Vaccine Maitri – Vaccine Friendship Initiative. 39 more countries would be supplied in the coming days ranging from Europe, North America, Latin America and the Caribbean to Africa, Southeast Asia and the Pacific Islands. India had also gifted 200,000 doses for the UN Peacekeepers. The UN Secretary-General had stated that India had been a global leader in pandemic response efforts. Despite scarce resources and a population of more than 1.3 billion, India was doing its bit towards equitable delivery of vaccines. If the existing global manufacturing capacity could be used for mass manufacturing by providing legal certainty to manufacturers over use of COVID-related IP, which was the chief objective of the Waiver, then humanity could accelerate the fight to win over the virus.

6.69. India responded to few of the repeated arguments. The delegations that opposed the temporary Waiver Proposal had argued on one hand that the Waiver, if granted, would not result in augmenting the manufacturing capacity and, on the other, they argued that the Waiver would impact the commercial interests of existing IP holders as a lot of manufacturing could come into play without agreement with the IP holders. India would like to understand the dichotomy that "if the Waiver would not lead to increase in manufacturing capacity, meaning, no new manufacturers would enter into production of COVID-19 products even with the proposed Waiver in place, then how would the commercial interests of existing IP holders be impacted?" On the other hand, "if manufacturing was going to increase significantly and thereby impacting commercial interests of IP right holders, then were they not agreeing that the final objective in the present scenario was to increase manufacturing?"

6.70. Some Members had questioned whether the Waiver was a proportional response to the pandemic. Since the outbreak of the pandemic, almost every country had implemented or was still implementing lockdown in some form or another to curtail the spread of COVID-19. That did not mean that authorities had been against the principle of "right to freedom of movement". Governments worldwide had introduced fiscal packages to the tune of billions of US dollars to help the recovery of ailing economies. That did not mean that they had deviated from their stated objective of fiscal consolidation towards fiscal profligacy. In the same light, the temporary Waiver from certain provisions of the TRIPS Agreement by following due process did not mean that the co-sponsors were against the principle of intellectual property rights. Members should not forget that research and innovation during that period had been spearheaded by massive public funding, expedited regulatory approvals and global collaboration. The global community had resorted to exceptional measures in the exceptional circumstances of the COVID-19 pandemic, and the Waiver should be seen in similar vein.

6.71. Globally, governments had intervened to suspend air transport and restrict mobility in order to prevent the spread of COVID-19. Sectors like civil aviation, travel and tourism, hospitality, small businesses including MSMEs continued to be severely impacted by such state interventions. Globally, trade in travel services had been down by 68% in the third quarter of 2020 as compared to the same period in 2019. Trade in transport services had also declined by 24% over the same period. Those sectors were also important for the global economy, for growth and for employment. Certainly, governments were not against the interest of those sectors. India would like to know why commercial interests of only few companies were so sacrosanct. If it was to preserve incentives to innovate, then such commercial loss, to the tune of a few tens of billions of USD maximum, could always be compensated by further incentives through pooling of public funding and global coordination. On the other hand, one percent improvement in global GDP from the baseline scenario would give USD 850 billion worth of global output. Therefore, an outcome on the Waiver would not only help in saving valuable human lives but would also give a comforting signal to boost the consumer confidence in the economy and would accelerate the recovery of world trade and global GDP.

6.72. Another repeatedly flagged by some opponents concerned the possibility of the TRIPS Waiver proposal coming in the way of the COVAX Facility. The temporary waiver of certain provisions of the TRIPS Agreement was only going to aid in meeting the final objective of COVAX. India understood that COVAX was a demand side initiative. It did not address supply side constraints. If Members did not address supply side issues then they would not be able to increase the production of vaccines. The Waiver would help the COVAX mechanism by augmenting the manufacturing capacity globally.

6.73. Members could not continue to engage in endless discussions while millions of lives and livelihoods were lost to the COVID-19 pandemic. The world needed concerted efforts by all Members to ensure that the WTO made a meaningful contribution to defeat COVID-19 and to prove that the WTO could indeed deliver in crisis situations. The proponents were ready to engage in good faith and to have frank discussions on the text of the Waiver, relating to both its duration and scope, in order to operationalize the Waiver in the shortest possible time. Moving to a text-based negotiation could appear to be yielding from the high moral ground of being the sole protectors of IP rights for some Members but not doing so meant a willingness to stand by a poor choice, devoid of ground realities and just opposite to what was the need of the hour. India urged Members to reach consensus on the Waiver Proposal to ramp up production for the cause of truly ensuring fair, equitable and affordable access to COVID-19 products in a timely manner. India hoped that the Proposal would reach a common landing zone and not suffer the repeated blocking of text-based negotiations.

6.74. The representative of Tanzania associated with the statement by the African Group and the ACP and welcomed Dr. Ngozi Okonjo-Iweala on her first General Council meeting as Director-General. Tanzania thanked the Chair of the TRIPS Council for her report and noted that it had previously expressed in the TRIPS Council and the General Council its desire for the adoption of the proposed waiver due to its importance and relevance in the fight against the imminent threat to Members' public health systems. The prevailing exceptional circumstance Members were in and the justification provided by the proponents and co-sponsors at the TRIPS Council and the General Council sufficed for the General Council to adopt the Proposed Waiver without further delay. Governments, civil society and many other stakeholders across the world had expressed similar concern for which a serious consideration was desired in order for the WTO to remain relevant.

6.75. The representative of Norway said that, in listening to the statement of Dr. Ngozi Okonjo-Iweala, Norway made the same observation as Jamaica that she had hit the ground running. Norway assured Dr. Ngozi that it would do its best to keep up with her pace. Norway thanked the TRIPS Council Chair for having facilitated discussions on that important topic and for having secured consensus for the report to the General Council. Norway agreed that nobody was safe until everybody was safe. Members were working hard to make that happen through various international cooperative efforts. Norway had listened carefully to the views expressed by Members in both formal and informal settings and had taken note of statements from proponents that they were willing to discuss scope and duration of the Waiver. Norway considered that engagement to be promising and hoped that Members could continue their deliberations in a constructive mode.

6.76. The representative of Singapore assured Dr. Ngozi Okonjo-Iweala of Singapore's commitment to work closely with her and her team to strengthen the WTO. Singapore welcomed the status report delivered by the TRIPS Council Chair and appreciated her continuing efforts to advance evidence-based discussions on the issue as well as Members' flexibility to reach consensus on the proposal. Members remained committed to work towards the common goal of protecting public health and mitigating the effects of the COVID-19 pandemic through ensuring timely and equitable access to diagnostics, vaccines and treatment. Members should achieve that objective in accordance with the agreed rules of the multilateral trading system. Access to COVID-19 diagnostics, vaccines and treatment was a multifaceted and complex issue. It was not productive to reduce it to one dimension. Given the multidimensional challenges in producing or ramping up production of vaccines, Members should adopt a more holistic approach that did not simply focus on IP rights but rather addressed all the challenges so that they could collectively work to get vaccines into the arms of their people.

6.77. The representative of Namibia associated with the statement by the African Group. Numerous known challenges affected Members especially developing and least-developed countries to fully utilize flexibilities under the TRIPS Agreement which, with the current pandemic, posed an even greater threat to humanity. Equitable access to medicines and vaccines for all was a priority. Namibia therefore underscored the importance of implementing a waiver as proposed by India and South Africa. In addition, Namibia supported a call to move the discussion to text-based negotiations with

a view to achieve a balanced outcome of the Waiver on Certain Provisions of the TRIPS Agreement for the Prevention, Containment and Treatment of COVID-19.

6.78. The representative of Cuba said that it was an honour and a privilege to work with Dr. Ngozi Okonjo-Iweala in the organization and reiterated Cuba's intention to cooperate in every way possible to help her meet the organization's mandate and fulfil her duties as Director-General. Cuba commended the TRIPS Council Chair for her efforts in facilitating discussions on the TRIPS Waiver Proposal. Her report showed the progress Members had made in the discussions thus far. Members were yet to reach consensus but Cuba saw in those debates that they shared common goals.

6.79. The goal and vision that should lead Members' conversations was access to health – one of the fundamental human rights. That included timely and equitable access to health services. Cuba had a free, high quality and universal healthcare system which guaranteed the right to health of all Cubans. While Cuba had had COVID-19 cases in its population, its system had allowed it to stand up and to have some positive outcomes in the context of the COVID-19 pandemic. If Members were to slow the spread of the pandemic, it was urgent for them to ensure international cooperation to accelerate and scale up the production of vaccines and essential medical supplies and equipment to ensure the protection of everyone in all parts of the world.

6.80. Cuba had put forward vaccine candidates for COVID-19 which was currently in clinical trials – thanks to Cuban scientific research and the excellent work of the scientists and despite all of the difficulties that came with the economic, financial embargo practiced against Cuba by the United States. The world could only move forward if Members set aside their differences and had a common response to the challenges they faced. The developing world would continue to extend its cooperation and solidarity in the fight against the pandemic.

6.81. The representative of Chad, on behalf of the LDCs, had co-sponsored the Waiver Proposal and supported the report and efforts of the TRIPS Council Chair. The LDC Group urged Members to work with the proponents to solve the matter as many lives were at stake. Members should stop the trend of vaccine nationalism that appeared to be on the rise. A pandemic with a global impact of that proportion required no one to be left behind in terms of access to lifesaving and protective vaccines.

6.82. The representative of Gabon associated with the statements by the ACP and the African Group. Gabon supported the request for a Waiver by India and South Africa and commended the TRIPS Council Chair for her work in that regard. The request aimed at effectively addressing the COVID-19 pandemic on a global scale. Such a Waiver would contribute to the work Members were doing to ensure that the multilateral trading system could bring coordinated, effective and equitable response to the global health crisis by allowing to strengthen global production chains of diagnostics, vaccines and other products used to treat COVID-19. The multilateral trading system had an extraordinary opportunity before it to show its relevance.

6.83. The current pandemic was having a very strong impact on the world – slowing economies which could be fatal to many countries. It was clear that if Members were to stop the crisis and save the global economy, access to vaccines should be seen as a common good. In fact, if Members were to effectively fight the pandemic, international cooperation was not an option but a right and a duty. Members should take measures which would overcome the problems with delivery and stock which were faced by most of the countries that were beginning their vaccine programmes. Gabon invited the General Council to enter into a constructive debate on that matter.

6.84. The representative of Malaysia underscored the importance of timely access to affordable diagnostics, therapeutics, vaccines and other medical products in order to effectively contain the spread of COVID-19. Many delegations had expressed their interest in global cooperation. The fight against the global pandemic, which was taking so many lives and badly hitting economies, required enhanced international cooperation and worldwide solidarity. With that in mind, Malaysia welcomed discussions and engagement on the Waiver Proposal thus far. In view of the pressing global need to prevent, contain and treat COVID-19, Malaysia stressed the importance of undertaking all measures necessary to facilitate the supply of essential medicines and equipment - enhancing their accessibility and affordability. Malaysia looked forward to advancing meaningful discussions in that area.

6.85. The representative of Cambodia associated with the statement by the LDC Group. The COVID-19 pandemic had affected many sectors especially those related to health. LDCs were facing a lot of

challenges during that period further worsening their capacity constraints including on acquiring sufficient vaccines and medicines. Cambodia encouraged all Members to explore all possibilities to ensure that developing and LDC Members would be able to access affordable COVID-19 treatments, vaccines and related medicines. The proposal for a Waiver from Certain Provisions of the TRIPS Agreement would contribute and assist Members to resolve those challenges and constraints they faced in that regard. Cambodia therefore encouraged Members to positively consider and support the Proposed Waiver and reach consensus. Cambodia thanked Members and international organizations including the WHO for working closely with it to prevent the spread of the virus as well as China, India and others for providing vaccines.

6.86. The representative of Canada supported the status report and was pleased that Members were able to reach agreement on a way forward on that important discussion to which Canada remained committed. Canada looked forward to resuming constructive discussions at the TRIPS Council meeting on 10-11 March. Canada acknowledged the continued and devastating impact of COVID-19 for countries around the world and recognized that the procurement of COVID-19 diagnostics, therapeutics, vaccines and equipment had been and remained extremely challenging including in view of production capacity.

6.87. Members had the ability to make use of the interpretation framework and the concrete consensus-based tools under the TRIPS Agreement to address any IP related public health challenges that could arise Members' response to COVID-19 and remained fully open to exchanging their own experiences and hearing about concrete challenges faced by Members in that area. Canada had not rejected from consideration and remained fully open to discussing any concrete trade-related IP challenges faced by Members in relation to COVID-19 and any demonstrated inability of the TRIPS Agreement's flexibilities to address those challenges so that they could discuss what approach or approaches would address the concerns of Members in a consensus-based manner.

6.88. The Chairman said that Members had had another rich and interesting discussion which showed the importance they attached to the issue. He encouraged all Members to remain positively engaged in the further discussions in the TRIPS Council which would take place next week. He again thanked the TRIPS Council Chair for her status report and, as was heard earlier, the TRIPS Council would report back to the General Council in line with Article IX:3 of the Marrakesh Agreement.

6.89. The General Council took note of the TRIPS Council Chair's report and of the statements.

7 SUPPORTING THE CONCLUSION OF FISHERIES SUBSIDIES NEGOTIATIONS FOR THE SUSTAINABILITY OF THE OCEAN AND FISHING COMMUNITIES - DRAFT MINISTERIAL DECISION - COMMUNICATION FROM BRAZIL (WT/GC/W/815)

7.1. The Chairman recalled that the item was included in the agenda by the delegation of Brazil together with the communication in document WT/GC/W/815.

7.2. The representative of Brazil had requested the inclusion of the item on the agenda of the General Council to introduce to the Membership its proposed draft Ministerial Decision entitled, "Supporting the Conclusion of Fisheries Subsidies Negotiations for the Sustainability of the Ocean and Fishing Communities". The draft decision had been circulated after the previous General Council meeting, on 22 December, as document WT/GC/W/815. The starting point of the initiative had been Members' inability to meet the deadline set by the Heads of State and Government, concerning Sustainable Development Goal 14.6, to conclude the fisheries subsidies negotiations.

7.3. 20 years after the launch of the negotiations, the percentage of fish stocks within biologically sustainable levels had dropped continuously. The efforts made by many countries and regions had so far not been enough to reverse that global trend. It was well-known that certain policies and practices of massive subsidization had played and continued to play an important part in the continued degradation of the environment.

7.4. That was precisely why Members should keep a sense of urgency to finalize the negotiations. It was no small matter that the only multilateral negotiation in the WTO that day that could yield results in the short run had a sustainability purpose. Members were collectively responsible for the fishing resources and the livelihoods of millions of people around the world who were dependent on it. They therefore had a crucial role to play in securing a robust agreement to curb subsidies that

led to overcapacity and overfishing and contributed to the depletion of global maritime fish stocks, as well as to illegal, unreported and unregulated fishing. Failure to deliver on that goal would have a deep impact on the credibility of the negotiating pillar of the organization.

7.5. In that context, the purpose of the draft Ministerial Decision was to send a strong message of commitment from the WTO Membership, indicating that the WTO was serious about reaching an ambitious agreement. It was rewarding to see that the pace of negotiations since June 2020 was intense and that delegations were committed to advancing technical activities despite the restrictions of the COVID-19 pandemic. At the same time, Brazil acknowledged that Member's positions on important and sensitive issues were still far apart. Members should identify appropriate landing zones in order to reach a multilateral agreement that truly delivered on sustainability and trade.

7.6. Brazil was engaged in reaching out to Members to clarify the purpose of the proposed draft Ministerial Decision. As it had been stating, its contents were general. They did not tackle the current deadlocks and divergences in the negotiations and did not aim at changing or including any new issues to the already agreed mandate. In its understanding, the MC11 decision on fisheries was still valid and the new proposal would only aggregate a new gesture of engagement from Members in reaching a final agreement. Brazil invited all Members to join the initiative and hoped that the proposed draft could be approved by the General Council before MC12. Brazil looked forward to working constructively with Members on the paper and was encouraged by the priority attributed by Dr. Ngozi Okonjo-Iweala to the conclusion of an agreement as soon as possible.

7.7. The representative of the Philippines noted that, as Members welcomed Dr. Ngozi Okonjo Iweala, the Philippines was happy to extend its support to the Membership's shared vision of having a concrete, text-based outcome on fisheries subsidies at MC12.

7.8. The representative of Costa Rica thanked Brazil for its proposal and agreed on the need for the multilateral agreement on fisheries subsidies to contain the highest possible standards of environmental sustainability, for the benefit of the ocean and fishing communities. Costa Rica however reiterated its position that that objective could only be obtained through the inclusion of effective and enforceable disciplines under the provisions of the WTO Dispute Settlement Understanding. There was no denying that an approach based on environmental sustainability could lead to disputes regarding the interpretation and implementation of the disciplines based on the environmental component, and that such disputes could only be settled if the panels entrusted with settling them had the appropriate powers to carry out the task before them.

7.9. As it had stated at previous meetings of the Negotiating Group on Rules, in Costa Rica's view, concerns about the panels' terms of reference should be addressed in the substantive disciplines of the Agreement and not through limitations on the powers of those panels. Otherwise, there could be contradictions and issues of effectiveness and enforceability vis-à-vis the disciplines. Costa Rica would continue to work on effective and enforceable disciplines so that they met the standards of environmental sustainability proposed by Brazil.

7.10. The representative of Bangladesh said that it was crucial for Members to have an outcome on fisheries subsidies to prove that multilateralism worked. They had a clear mandate focused on subsidy prohibition. Members should be mindful that that mandate was directed on them because subsidy was a WTO issue and marine fish was their common good. They therefore had a collective responsibility. The genesis of the fisheries subsidies negotiation was ascribed from the Doha Ministerial Declaration. Considering the importance of that sector to LDCs and developing country Members, in the 2005 Hong Kong Ministerial Declaration, it was acknowledged, and further, mandated to take into account their development priorities, poverty reduction, livelihoods and food security concerns in any outcome on the fisheries subsidies negotiation. SDG 14.6 was not something new. Rather, it was part of the Hong Kong Ministerial mandate. Members had only added a deadline to conclude those negotiations.

7.11. Bangladesh was actively engaging in those negotiations and expressed its deep appreciation to Chair of the Negotiating Group on Rules, Ambassador Santiago Wills, for tabling a draft consolidated text. Bangladesh urged all Members to work on the text to fulfil their collective responsibility. Bangladesh also thanked Brazil for the draft Ministerial Decision contained in document WT/GC/W/815 and would like to ask the following questions: "What was the purpose and objective of tabling another mandate, while Members already had one? By that submission, are they

not envisaging that the negotiation would not be completed by MC12?" If so, "are they saying that the existing mandate was not enough to prohibit subsidies and thus to save marine fisheries?" Bangladesh looked forward to hearing from Brazil and expressed its readiness to constructively engage with Members to complete their collective responsibility on the issue.

7.12. The representative of Barbados placed great importance on the sustainability of the ocean and fisheries communities. It was against that backdrop that Barbados joined others in thanking Brazil for its contribution outlined in WT/GC/W/815. Barbados was also concerned with the state of fisheries stocks at a global level and more systemically the oceans. It was for that reason that its commitment and participation in the deliberations of the Negotiating Group on Rules had continued to be guided by SDG 14.6 and by the mandate which had been reaffirmed by the Ministers at MC11. Barbados was therefore working assiduously with other Members with the aim of concluding negotiations on fisheries subsidies. Members had no doubt that with that pragmatism, enhanced commitment and the requisite political will, they could conclude their negotiations that year.

7.13. Members should be reminded that if they were to truly deliver on their mandate, the target should be on major subsidizers and largescale industrial fishing. Members should also allow for adequate policy space for LDCs and developing countries like Barbados that had under-developed fishing industries and did not contribute to overfishing and overcapacity. Barbados was not in a position to accept the use of per capita income or other indicators which did not adequately take into consideration those and other factors and would unduly and unconscionably impact their ability to access S&DT. Barbados associated with the statements by CARICOM and the ACP.

7.14. The representative of Thailand stressed that reaching a conclusion on the fisheries subsidies negotiations had never been more critical. Members needed to share a sense of urgency and put utmost efforts in negotiations with the view to achieving the MC11 mandate and SDG 14.6. A further delay in delivering such meaningful multilateral agreement would raise questions about the WTO's ability to protect and preserve the sustainability of fisheries resources. In that regard, Thailand reaffirmed its commitment to actively engage in future discussions and supported the Chair's text as a basis of negotiations for moving forward towards a balanced outcome at MC12 – responding to calls for a meaningful agreement with effective disciplines and sufficient policy space.

7.15. The representative of Norway was working with other Members to conclude as soon as possible a high standard agreement on fisheries subsidies to support sustainable fishing and the implementation of SDG 14.6. Norway agreed wholeheartedly with the intent of the proposal from Brazil. While the declaration sent an important political signal, Members should concentrate on reaching consensus on the text of the disciplines they were negotiating as soon as possible.

7.16. The representative of Chinese Taipei noted that fisheries subsidies negotiation was currently the most important topic in the WTO concerning deliverables for MC12. Brazil's proposal urged Members to deliver a high standard outcome in relation to environmental sustainability. Chinese Taipei shared the same view and urged Members to have sustainability as their highest common goal. The proposal correctly stated that the outcome of those negotiations would not only benefit the fishing communities and the ocean but also the WTO. Chinese Taipei welcomed the proposal, would continue making efforts to facilitate the negotiations and hoped Members could be more flexible on certain key issues.

7.17. The representative of the Russian Federation fully shared the endeavour of Brazil and other Members to reach a meaningful outcome by MC12 and stood ready to continue constructive engagement within the Negotiating Group on Rules. Having said that, Russia recalled that Members were yet to resolve fundamental substantial differences. In particular, while the majority of Members called for sustainability of fisheries resources, not every one of those advocating healthy fish stocks accepted clear disciplines linked to science-based metrics and fisheries management, which was vital for long-term sustainability of resources. Besides that, many Members requested de facto full carveouts for their fleets in the entire EEZ under the guise of flexibilities for "small-scale fishing". Others proposed de facto eternal exemptions for almost all developing countries, except two or three of them, and depicted such proposals as allegedly "temporary" transitional periods.

7.18. Against that background, Russia was concerned that full-fledged discussion of the draft Ministerial decision as proposed by Brazil would detract resources, opening up a parallel track of negotiations about the aims of negotiations. Eventually, that could harm the main negotiating

process within the Negotiating Group on Rules. The mandate from MC11 stated that "Members agree to continue to engage constructively in the fisheries subsidies negotiations, with a view to adopting, by the Ministerial Conference in 2019, an agreement on comprehensive and effective disciplines [...]" Since the Conference had been postponed from 2019, the existing mandate was still valid and sufficient for Members' engagement in negotiations on fisheries subsidies on the road to MC12.

7.19. The representative of South Africa recalled that the mandate enshrined in SDG 14.6 was to "by 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, and eliminate subsidies that contribute to IUU fishing, and refrain from introducing new such subsidies, recognizing that appropriate and effective special and differential treatment for developing and least developed countries should be an integral part of the WTO fisheries subsidies negotiation." South Africa agreed with the need to conclude a fisheries subsidies agreement in accordance with that mandate but was concerned that the proposal seemed to re-interpret the mandate in ways it found problematic. The mandate was not to "curb" but prohibit certain forms of fisheries subsidies which contributed to overcapacity and overfishing, and eliminate subsidies that contributed to IUU fishing.

7.20. S&DT which was a critical element of the mandate was not mentioned in the text. While the prohibition of certain forms of fisheries subsidies would hopefully contribute to the health of the ocean, it would not necessarily automatically benefit all fishing communities in developing countries. Hence, the mandate to integrate S&DT in the final outcome. Further, the genesis of the fisheries subsidies negotiations was outlined in the 2001 Doha Ministerial Declaration, which was further amplified in Annex D of the 2005 Hong Kong Ministerial Declaration. The objective of the fisheries subsidies negotiations was "enhancing the mutual supportiveness of trade and environment".

7.21. It was not clear what was meant by the "highest standards of environmental sustainability" and whether Members had a common understanding of that concept especially in light of different capacities of Members and different management systems used in different circumstances and multi-species obtained in some of the Members. In view of the need for clarification that could be required in the choice of language used in the draft Ministerial Declaration, the priority for Members should be to conclude the fisheries negotiations. While noting the good intentions of Brazil, the introduction of the declaration could divert attention from the current negotiations facilitated by the Negotiating Group on Rules Chair which had gained momentum. Members' priority and focus should be the negotiations as facilitated by the Chair rather than negotiations on the language in the declaration.

7.22. The representative of Nigeria had forwarded to the proposal to its capital for review but made preliminary remarks without prejudice to its final position on the issue. Since Members had missed the 2020 timeline to deliver on SDG 14.6 and the WTO Ministerial mandate, the least they could do was to work towards outcomes on the fisheries subsidies negotiations on or before MC12. The draft MC12 Declaration appeared to suggest the need to commit to future date beyond MC12 for the completion of the negotiations. SDG 14.6 and the WTO Ministerial mandate required that Members prohibited certain forms of fisheries subsidies which contributed to overcapacity and overfishing and eliminated subsidies that contributed to IUU fishing. The draft MC12 Declaration seemed to introduce a requirement for Members to only curb or reduce harmful subsidies which was contrary to SDG 14.6 and the WTO Ministerial mandate.

7.23. Paragraph 9 of Annex D of the 2005 Hong Kong Ministerial Declaration as well as the 2001 Doha Ministerial Declaration had unambiguously stated that the objective of the fisheries subsidies negotiations was "enhancing the mutual supportiveness of trade and environment". The proposed objective of "highest standards of environmental sustainability" in the draft Ministerial Decision differed substantially from that which was set out in the Doha and Hong Kong Ministerial Declaration. Rather than focus on the requirement of SDG 14.6 and the WTO Ministerial mandate to prohibit and eliminate subsidies that contributed to overcapacity and IUU, respectively, it appeared that the proposal also sought to introduce fisheries management obligations into the WTO. Nigeria had made it clear on several occasions that it was not in support of fisheries management obligations in the WTO as that approach had proven in the past to be ineffective in addressing global overcapacity and overfishing problems.

7.24. The proposal seemed to focus mainly on one of the Sustainable Development Pillars which was the environmental pillar and ignored the other two, namely, the economic and social pillars. The 2001 Doha and the 2005 Hong Kong Ministerial Declarations, SDG 14.6 as well as their Ministerial Mandate were unambiguous on the need for effective S&DT for developing countries to be an integral

part of the outcomes of the negotiations. The proposal had completely ignored that issue of critical fundamental importance to developing countries. Nigeria's preliminary comments notwithstanding, it was open to further engagement with Brazil to gain insight on respective elements of the proposal.

7.25. The representative of The Gambia said that Dr. Ngozi Okonjo-Iweala's assumption of office as Director-General was the start of an exciting chapter in the history of the organization. The Gambia associated with the statements by the ACP, the African Group and the LDC Group. The Gambia reaffirmed its commitment to conclude those negotiations in 2021 and stood ready to work constructively with all Members to ensure that they delivered on the mandates entrusted to them under SDG 14.6 and by Ministers at MC11. The Negotiating Group on Rules under the able leadership of Ambassador Wills had made substantial progress over the past year. Despite divergences among Members in some key areas, the basic foundations were in place to reach a deal. The Gambia took note of the Director-General's statement indicating her desire for the conclusion of the negotiations by the middle of the year and stood ready to work on the basis of that timeline.

7.26. The representative of Sri Lanka was fully committed to the negotiations on fisheries subsidies as per SDG 14.6 and the MC11 mandate. The mandate was to prohibit certain forms of harmful subsidies that contributed to overcapacity and overfishing and to eliminate subsidies that supported IUU fishing. Having said that, Sri Lanka was somewhat disturbed that the communication did not fully reflect the commitment of the Leaders mentioning SDG 14.6 and the mandate from Trade Ministers agreed at MC11. The communication did not mention anything about S&DT for developing and LDC Members which was an integral part of SDG 14.6 and the MC11 mandate. That sadly disregarded other important SDGs related to SDG 14 which provided mandates to deal with marine micro-plastic pollution, ocean acidification, fish by-catch, fishing post-harvest losses and providing access to small scale artisanal fishers to marine resources and markets which were enshrined in SDG 14 and directly affecting the sustainability of the ocean and fishing communities.

7.27. Effective and appropriate S&DT was an integral part of those negotiations and without catering to the needs of developing and LDC Members, there could not be any agreement. While recognizing that the sustainability of the oceans and marine resources was at the core of the disciplines being negotiated, Members had to contribute to that effort as per the international conventions and instruments which governed the global marine resources. WTO fisheries subsidies negotiations were one of such contributing factors to the sustainability of marine resources. Members had to take differentiated responsibility while taking obligations under the new disciplines. Some of those subdivisions were being negotiated under different UN bodies. The ultimate objective and sustainable solution for SDG in the fisheries subsidies negotiations should inherit the developmental dimension.

7.28. For that purpose, whereas development indicators could be used to assess whether the developing world had evolved, S&DT, the basic principle of the multilateral trading system, was required. Innovative ideas had been presented by the developing and LDC Members to capture the developmental aspects of the S&DT. They took the form of carve-outs based on territorial and geographical demarcations, fisheries capacity and fishing practices. Sri Lanka was concerned that some Members continued to argue that S&DT should be limited to transition periods plus technical assistance which was blocking the negotiating process in the area of S&DT.

7.29. Managing to unblock the current impasse through innovative approaches on the table to preserve S&DT in the fisheries subsidies agreement could be the way out for having a successful outcome on that negotiating file – where the criteria-based approach bearing in mind the developmental aspects was likely to gain more prominence in future negotiations. For achieving successful outcomes of the Doha Round at MC12 on fisheries subsidies, Members should take greater account of the different needs of developing countries and adopt more concrete provisions in that regard than were currently contained in the Uruguay Round Agreements. The pertinent questions posed and clarifications sought by various delegations would further clarify whether the proposal had any relevance on Members to discuss further – beyond the mandate that they currently had.

7.30. The representative of Vanuatu, on behalf of the Pacific Group, took note of the draft declaration proposed by Brazil and recognized the urgency to complete the fisheries subsidies negotiations given the missed deadline under SDG 14.6. The fisheries subsidies negotiation was a priority for the Pacific Group and its members were committed to delivering a meaningful outcome in that area by MC12. The agreement should focus on disciplining harmful subsidies and not fisheries management. Negotiations should provide policy space for small developing Members especially small island developing States that had little to no fishing capacity at present, provide security for

small scale and artisanal sectors and should not undermine Members' rights under UNCLOS to offer access to EEZ on terms they decided. The Pacific Group associated with the statement by the ACP and encouraged all Members to work hard to deliver on that area at MC12.

7.31. The representative of Indonesia sought clarification on the implications of the proposal to the mandate as stated in SDG 14.6 and on the relevant MC11 decision. The draft decision had emphasized "highest standards of environmental sustainability". Indonesia asked what standards Brazil was referring to and the reason for obliging Members to adopt such sustainability standards. The discussion on fisheries subsidies went beyond sustainability issues. Hence, singling out one specific issue in the draft did not reflect the real discussion on fisheries.

7.32. The representative of Jamaica, on behalf of the ACP, placed a high value on the sustainability of the oceans. An outcome should be an effective policy tool in the global fight against IUU fishing and global fish stock depletion. That was the context within which the ACP Group was actively engaging in the negotiations on fisheries subsidies in the WTO. The ACP was mindful however that the WTO's competence in that area was limited to subsidies and to the extent possible collaboration with other international organizations that had mandates in oceans and fisheries management. Member's focus and priority should therefore be to conclude the negotiations through the Negotiating Group on Rules process. Further, Members already had a mandate which was sufficient to guide their work in that context and was also in line with SDG 14.6.

7.33. The ACP Group therefore reaffirmed its commitment to the implementation of SDG 14.6 and the MC11 mandate. The focus of Members' engagement should be on major subsidizers and large-scale industrial fishing. They should ensure that the outcome provided adequate policy space for developing countries and LDCs to develop their fisheries sector responsibly and sustainably. The ACP Group could not accept transition periods alone with technical assistance and capacity building. An outcome should ensure that sovereign rights of Members were respected, national judicial processes were unfettered, implementation was not more burdensome than necessary to achieve their sustainability objective, the provisions remained within the competence of the WTO, and there was policy space for small scale and artisanal fishing. The negotiations should be concluded that year and the ACP Group would work towards making that a reality – but flexibility, empathy and compromise from all parties were key ingredients to getting that done.

7.34. The representative of Fiji associated with the statements by the ACP and the Pacific Group. Fiji appreciated the urgency of the call as reiterated by Brazil to finalize the negotiations but was concerned that the focus of the draft Ministerial Decision was gravitating towards fisheries management which was not the mandate of their Ministers nor that reflected in SDG 14.6. Fiji had confidence in the Negotiating Group on Rules with the able leadership of Ambassador Wills to move the process forward given the unfamiliar elements in the proposal. However, the Director-General mentioned that Members should complete the negotiations by 2021 and they would not need a separate draft Ministerial Declaration as they already had the MC11 and SDG 14.6 mandates.

7.35. Small island developing States and small subsidizers such as Fiji and members of the Pacific Group needed the agreement to be proportional targeting large subsidizers comprised of large-scale industrial fishing nations that were contributing to harmful subsidies that directly caused stock depletion. Policy space should be granted to small economies to grow their fishing industry in light of their large ocean space and to supply their canneries. Small islands such as Fiji could not afford to continue to be locked into their existing circumstances by the agreement being negotiated. They needed to grow their fisheries sector and, due to the restrictions posed by COVID-19 to their services sector, they were turning into the fisheries sector as a viable area to drive their economy. As clearly elaborated under existing international norms such as UNCLOS, legitimate rights of coastal states to govern their own EEZs should be recognized in that agreement.

7.36. The representative of India said that, while the purpose of seeking a fresh mandate was not yet clear, India had taken note of a few phrases in the communication such as "ambitious outcome", "to curb subsidies that threaten global maritime fish stocks", "improve existing WTO disciplines in fisheries subsidies" and "highest standards of environmental sustainability". India remained fully committed to the negotiations on fisheries subsidies as provided under the SDG 14.6 and the MC11 mandates. India was deeply concerned that the communication coming from a developing country did not mention explicitly about S&DT for developing countries and LDCs which was an integral and important part of SDG 14.6 and the MC11 mandate. While the proponent of the communication did

not feel the need for S&DT, what was surprising was its silence on the entitlement of other developing countries and LDCs.

7.37. India was also disappointed to note that, in the name of collective responsibility, the communication put the countries with no or very few industrial fishing fleet in the same category as the countries having highly developed industrialized fishing fleets. For environmental sustainability of fisheries resources, the polluter pays principle should be applied and those who had provided huge subsidies and depleted the marine resources by engaging in unsustainable fishing should take higher responsibility. An undue restriction on the development of the fisheries sector could not be imposed on those developing countries and LDCs which granted minuscule or did not grant any subsidies for fishing or fishing related activities to their resource-poor fishermen. While all Members had a shared responsibility towards the sustainability of their oceans, the livelihood of millions of fishermen around the world was closely linked to the granting of appropriate and effective S&DT to developing countries and LDCs.

7.38. The representative of Saint Lucia, on behalf of CARICOM, welcomed the submission by Brazil as a timely reminder of the original mandate and commitment set by SDG 14.6 and MC11 and reaffirmed consistently at the level of the Negotiating Group on Rules. Those had been the guiding principles of the current negotiations and CARICOM remained committed to fulfilling the mandate in those negotiations. CARICOM shared the concerns expressed in Brazil's communication on the continuing decline of global fish stocks within a biologically sustainable level and the ongoing massive subsidization by countries leading to overcapacity, overfishing and IUU fishing. That was the concern SDG 14.6 tried to address six years ago and that was why CARICOM engaged in the negotiations.

7.39. The CARICOM Group recalled its shared commitment to deliver the highest standard of environmental sustainability in reaching a final conclusion in those negotiations underpinned by the collective recognition contained in SDG 14.6 that appropriate and effective S&DT for developing and LDC Members should be an integral part of the negotiations. It was no secret that they had serious structural impediments which prevented them from fully developing their fisheries sectors. As such, the CARICOM Group reiterated its position that for small fishing nations with an underdeveloped fishing sector, their footprint remained too small to have much, if any, negative effect on the health of global fish stocks. The small fishing nations could not be made to pay for the violations of the major subsidizers and large-scale industrial fishing nations.

7.40. Those Members needed to retain the policy space to develop their fisheries sector in a sustainable manner and that would be an important feature of a high standard outcome CARICOM was seeking in the negotiations. The CARICOM Group continued to adumbrate its S&DT proposal in great detail throughout the negotiations and remained committed to working with Members through the ACP Group to explore practical ideas and options towards a mutually acceptable outcome. CARICOM remained committed to engaging constructively in the negotiations and urged all Members to work towards a successful outcome that they could present to Ministers and by extension the international community by MC12.

7.41. The representative of Chad, on behalf of the LDCs, was committed to conclude the fisheries subsidies negotiations in 2021. The LDC Group had tabled a text in 2017 covering all elements to facilitate Members in the negotiations and arrive at a decision in Buenos Aires. The LDC Group had also submitted a text in 2020 to assist Members in moving forward in that area and had continued to constructively engage in finding realistic solutions that would help Members achieve their goal. It was important to continue their work under the leadership of Ambassador Wills along with the strong support of all Members to find achievable landing zones to conclude the negotiations in 2021. The Director-General was also ready to join them in that endeavour.

7.42. The representative of the United States was carefully reviewing the proposal in light of Brazil's statement and the statements of other Members under that agenda item. With respect to the WTO fisheries subsidies negotiations more generally, the United States was committed to constructive engagement and to developing a meaningful agreement with effective disciplines to protect the oceans and fisheries resources. That would require Members to continue working to overcome obstacles in the negotiations and bridge the significant gaps that remained in Members' positions. It would also require less focus on possible exclusions and flexibilities and more attention to disciplining harmful fisheries subsidies that counteracted progress in achieving sustainable fisheries. The United States was committed to working with other Members to bring the negotiations to a successful, meaningful conclusion.

7.43. The representative of the European Union noted that the existing mandate from SDG 14.6 and the WTO Ministerial Decision in 2017 on the fisheries subsidies negotiations remained valid. Members were already on borrowed time to conclude the negotiations in advance of MC12. The European Union welcomed initiatives that brought Members closer to their goal to reach an ambitious agreement as soon as possible and supported the emphasis that sustainability was the responsibility of the whole WTO Membership. While welcoming the spirit of Brazil's communication which was crucial for the negotiations to be successful, the European Union cautioned on entering into long discussions on what was and what was not in the mandate which could distract them from the task at hand. Their key focus should be on negotiating the disciplines and delivering a successful outcome.

7.44. The representative of Turkey said that delivering a meaningful and credible outcome without further delay in the fisheries subsidies negotiations in accordance with the mandate was a top priority not only for the WTO but also for the future of the marine resources. Even though Members had missed the deadline, their mandate remained valid. The work programme of the Negotiating Group on Rules and the intense discussions since the new year affirmed that commitment. Members should be cautious in incorporating any additional commitment into their negotiations with a new language since that could bring new challenges and prolong the process. While agreeing that environmental sustainability was at the heart of the negotiations, Members should keep in mind the primacy of development in the negotiations as mandated. Turkey was optimistic about 2021. The appointment of Dr. Ngozi and the decision on MC12 date and venue paved the way towards a successful outcome.

7.45. The representative of Namibia associated with the statements by the African Group and the ACP. Completing the negotiations in 2021 was a top priority. Namibia recognized the efforts and progress made thus far on the work of the Negotiating Group on Rules. To achieve the desired outcome in that area, Members should be mindful that the fisheries negotiations did not target market access but sustainability. The WTO was not a fisheries management organization and that the rights and obligations under international law should be respected to give the right to national authorities of coastal States to determine IUU fishing and overfished stocks. The outcome of the negotiations should be an effective policy tool to further complement efforts undertaken by coastal States in their respective fisheries management programme and that of RMFOs to fight against IUU fishing and fish stock depletion globally. It should further address the capacity constraints and the need for policy space to build and develop domestic industries in LDCs and developing countries. Proposals advanced during the process of the negotiations should be limited and be in line with the mandate with the view to achieving a positive outcome that would fulfil SDG 14.6.

7.46. The representative of Mauritius, on behalf of the African Group, had consistently emphasised that any outcome at MC12 should inter alia be based on the principle of sustainability. An agreement on fisheries subsidies that delivered on SDG 14.6 would be an excellent example for the WTO to prove that it was indeed committed to contribute to the sustainability agenda. The African Group however remained concerned over the lack of progress and divergences on the approach to disciplining subsidies that contributed to overcapacity and overfishing. At MC11 in Buenos Aires, Members inter alia had agreed "to adopt an agreement on comprehensive and effective disciplines that prohibit certain forms of fisheries subsidies that contribute to overcapacity and overfishing, and eliminate subsidies that contribute to IUU fishing". That decision had further recognized that "effective special and differential treatment for developing country Members and least developed country Members should be an integral part of these negotiations". The African Group reiterated its commitment to the early conclusion of a balanced outcome on fisheries subsidies that would embed sustainability in WTO rules in line with the MC11 mandate. The acceptance of the principle of common and differentiated responsibility would no doubt allow Members to find common ground.

7.47. The General Council took note of the statements.

8 WORK PROGRAMME ON ELECTRONIC COMMERCE AND MORATORIUM ON IMPOSING CUSTOMS DUTIES ON ELECTRONIC TRANSMISSIONS – REQUEST FROM INDIA

8.1. The Chairman recalled that the delegation of India had requested that the item concerning the Work Programme on Electronic Commerce and Moratorium on Imposing Customs Duties on Electronic Transmissions be included in the agenda of that day's meeting. As had also recalled earlier, the item had been placed on the agenda of the December 2020 meeting, and the previous one in October.

8.2. The representative of India noted that the digital revolution was still unfolding. There was an existing and widening digital divide among Members which had been exposed further during the ongoing COVID-19 crisis. On that issue, India had been emphasising how important it was for Members to first bridge the digital divide by providing digital infrastructure. Many of them had not yet fully comprehended the implications of e-commerce on competition and market structures, issues related to transfer of technology, data storage, automation and its impact on traditional jobs and the gaps in e-commerce policy and regulating frameworks in developing countries. That was why India had been a proponent of strengthening the multilateral work under the non-negotiating and exploratory 1998 Work Programme on Electronic Commerce.

8.3. Under that multilateral Work Programme and with the intention of understanding the implications of the moratorium on customs duties on electronic transmissions, India along with South Africa had earlier introduced three submissions which explained their understanding of the scope and impact of the moratorium. In December 2019, India had joined the consensus on the intended six month extension of the moratorium until MC12 with an understanding that the Work Programme on Electronic Commerce would be reinvigorated with an objective of achieving clarity on issues related to the scope of the moratorium, definition of electronic transmissions as well as its impact. Due to the postponement of the Ministerial Conference, the moratorium had since been extended beyond the earlier agreed period of six months.

8.4. The WTO had a unique opportunity to make a contribution towards laying the foundation for an inclusive and development-oriented approach to electronic commerce. Multilateralism was vital in a world facing development challenges. In that regard, India along with South Africa had also circulated a paper in WT/GC/W/812 which sought the General Council to play a central role in discussions on the Work Programme by keeping that item under regular review, taking up any trade related issue of a crosscutting nature and keeping the issue as a standing item on its agenda. They also sought the General Council to direct that the Work Programme on Electronic Commerce be a standing item in the relevant WTO bodies as mandated under WT/L/274. In line with that, India urged Members to engage sincerely on those issues under the multilateral Work Programme in the General Council and in the relevant WTO Bodies.

8.5. The representative of the Philippines recognized the importance of electronic commerce in facilitating cross-border trade especially in light of the current COVID-19 pandemic. Thus, as agreed in the General Council decision on 10 December 2019, the Philippines reiterated its commitment in reinvigorating the work under the Work Programme on Electronic Commerce and supported the current practice of not imposing customs duties on electronic transmissions until the next Ministerial Conference. The Philippines welcomed continuous discussions on the scope, definition and impact of the moratorium on customs duties on electronic transmissions and we stood ready to engage with Members on that important issue for a possible Ministerial decision on the future of the Work Programme and the Moratorium on Electronic Commerce at MC12.

8.6. The representative of Zimbabwe reiterated its previous statements on the importance of reinvigorating the 1998 Work Programme on Electronic Commerce and the termination of the moratorium on imposing customs duties on electronic transmissions. COVID-19 had led to an unprecedented and unforeseen boom in the digital economy with a huge demand in music, movies and video games. While tariffs could be levied on previous digitized imports of those products through CDs, DVDs or CD-ROMS, that was no longer the case as those products could be downloaded online thereby prejudicing Members. The same applied to books largely traded as e-books.

8.7. In 1998, very few products had been digitally traded and Members had never foreseen the digital revolution which was currently in their midst. Zimbabwe was a net importer of digitalized products and it was losing tariff revenue due to the moratorium which could be channelled to the development of nascent local digital industries and the purchase of emergency health COVID-19 consumables. E-commerce discussions should be coordinated through the bottom-up approach outlined in the 1998 Work Programme to enable it to assume a subject-related focus incorporating the existing and necessary limitations and exceptions under various agreements. Zimbabwe stood ready to constructively engage on the issue in future deliberations.

8.8. The representative of Indonesia reiterated that the conclusion of the mandate for all Members to work on the Work Programme on Electronic Commerce along with the issue of the moratorium on imposing customs duties should not be forgotten. Indonesia drew attention to the General Council Decision of 10 December 2019 where Members had agreed to reinvigorate the multilateral work

under the Work Programme as agreed and mandated in 1998. Apart from supporting the submission presented by India and South Africa on reinvigorating the Work Programme, Indonesia also shared the view that the multilateral work through clarifying the scope, definition and impact of customs duties on electronic transmissions should be kept in place and progress in the organization.

8.9. The fact that some Members had attempted to advance an ambitious agenda on that matter through another mechanism should not hinder the continuation of that multilateral work and should not degrade the relevance of the mandate. Indonesia's position on the moratorium on customs duties remained unchanged. It was important to address and resolve the digital divide along with the issue of the moratorium. There were conflicting studies on revenue loss – with UNCTAD suggesting that the loss was much more than USD 10 billion. As part of the dedicated session, it would be important to call experts from different organizations to present their views to facilitate Members' deliberations.

8.10. The representative of Mauritius, on behalf of the African Group, thanked India for highlighting the importance of pursuing in an accelerated manner the work envisaged in the 1998 Work Programme on Electronic Commerce and the General Council Decision taken in December 2019. While reiterating its statement at the last General Council meeting, the African Group highlighted that the Work Programme remained an important element in Members' ongoing discussions both in respect of the moratorium on the application of customs duties on electronic transmissions and the broader crosscutting issues. The COVID-19 pandemic continued to have devastating impact on the services sector with demands in sectors such as tourism and transport being strongly affected. The damage on income and employment in those sectors had reached record levels in some countries such that recovery itself to pre-pandemic level could take years.

8.11. At the same time, e-commerce had boomed but its benefits had neither been fairly nor equitably distributed – highlighting the existing digital divide between countries. In its communication contained in JOB/GC/133 of 21 July 2017 on digital industrialization, policy and development, the African Group had underscored the extremely high market concentration levels in the global e-commerce space. Any post pandemic recovery strategy should, among others, aim at bridging the digital divide to allow more countries to take advantage of digitalization. In that regard, the African Group advocated the need to reinvigorate in an accelerated manner the 1998 Work Programme with a view to comprehensively addressing the development aspects of e-commerce.

8.12. The representative of Ukraine remained a strong supporter of the moratorium on customs duties on electronic transmissions since it encouraged the engagement of business especially MSMEs in cross-border e-commerce and had already contributed significantly to its global growth. Ukraine had already committed not to impose customs duties on electronic transmissions under a number of FTAs. For that reason, Ukraine had supported the extension of the moratorium until MC12 and reiterated its readiness to continue the work on that issue with interested Members under the Work Programme on Electronic Commerce. However, taking into account the general nature of electronic transmissions and the fact that all Members had already applied the practice of not imposing customs duties on electronic transmissions over two decades, Ukraine hoped that Members would come up with the decision to make the moratorium permanent at MC12.

8.13. The representative of Nigeria had been consistent in calling for the reinvigoration of the 1998 Work Programme and for exploring ways of addressing the difficulties undermining the gains of developing countries from global digital trade. That was because despite the exponential growth of global digital trade, the benefits for most developing countries were ambiguous due to the north-south digital divide and digital exclusion existing within respective economies. Nigeria supported more structured and targeted discussions on horizontal and vertical issues regarding the trade related aspect of e-commerce under the Work Programme with a view to setting an inclusive and development-oriented agenda for consideration by Ministers at MC12. Such discussions should, among others, clarify the scope and address classification issues.

8.14. Regarding the Moratorium, Nigeria supported the call for broad based discussions on scope and definition for Members to gain greater insight and deepen their understanding of those issues. Nigeria was also mindful of the legitimate concerns of some Members on the effect of the moratorium on fiscal revenue. Nigeria therefore supported the call by some Members for the four designated bodies under the Work Programme to delve deeper into the benefits and costs of the Moratorium especially for developing countries. Such assessment should not however only focus on the static effects but also on the dynamic effects to properly guide Members' discussions.

8.15. The benefits of e-commerce were unambiguous. The sector had become the engine of economic transformation in Nigeria and it had set the country on a new growth trajectory. Rather than dwelling on the constructed revenue loss indicated in the results of some static analysis of the impact of the Moratorium which were in public domain, Nigeria focused on the opportunities provided by e-commerce and how to optimize the gains from global digital trade. Nigeria was also cognizant of the distortionary effects of an unpredictable global e-commerce environment for business and consumers likely to occur from the non-renewal of the Moratorium at MC12. The effect of such unpredictable global e-commerce environment on the world economy already shattered by COVID-19 was unthinkable. Nigeria therefore called on Members to approach those issues with an open mind to enable them to continue to engage constructively on how they could foster inclusive development of e-commerce in their respective economies and in the whole world.

8.16. The representative of Jamaica, on behalf of the ACP, had taken particular note of the title of the item and said that the 1998 Work Programme on Electronic Commerce continued to be a critical feature of the WTO's regular work and an essential fixture on the General Council's agenda. The ACP thanked all Members that had contributed not only to the work in the General Council but also in the other Bodies charged with examining the issue. Members should deepen their engagement and understanding of the question of the Moratorium. The discussions should however go beyond the Moratorium and include other pertinent issues such as the extent of coverage of digital or internal taxes and a wider range of issues.

8.17. The ACP was concerned that by MC12, Members would again face the expiry of the Moratorium should they fail to establish a common understanding on the scope and definition of electronic transmission. Significant strides had been made in advancing ICT infrastructure and services and they had seen the benefits in many respects during the still evolving COVID-19 crisis. The world however still faced a significant digital divide within and among countries that should be addressed with urgency. The ACP supported the elements highlighted by the LDC Group in its submission to the General Council in December 2019 and welcomed the proposal by South Africa and India which had been submitted to the General Council in December 2020.

8.18. In conducting the diagnosis of the Moratorium, the ACP had recognized that some of the other areas of interest to its countries included the costs to developing country and LDC consumers and businesses, discrepancies between traditional goods or products and electronic equivalents, and the application of internal taxes on electronic transmission. A number of issues which had been raised in the Work Programme were under negotiation in the JSI. It was therefore important that the Work Programme was prioritized as it encompassed an agreed workstream which would result in balanced outcomes in the context of e-commerce.

8.19. Members should take a pragmatic approach to discussing within the context of the existing 1998 Work Programme the issues of source code, localization and the impact on data flows as well as consumer protection. Those issues should be prioritized as they would begin to not only match or exceed the perceived impact which the Moratorium could have on their regimes but would also cater to their ability to make greater use of e-commerce to earn revenue, become producers of higher level technological advancements and improve the basic way of life for their people.

8.20. The ACP Group recognized that it should play its part in ensuring that the Work Programme continued to remain relevant and address issues of social and economic interest to ACP countries. The Group therefore suggested that the General Council took up a series of issues of a crosscutting nature such as source code, localization and data protection along with the question of the Moratorium and its impact on both consumers and businesses. The discussion could be organized in informal mode or in dedicated sessions. The ACP Group hoped that organizing themselves on key outstanding crosscutting issues within the context of the existing mandate of the Work Programme could enlighten Members as they prepared for the decision to be taken by Ministers at MC12.

8.21. The representative of Thailand recognized the importance of the 1998 Work Programme on Electronic Commerce and remained committed to the General Council Decision of December 2019. Thailand looked forward to deepening its engagement in future discussions. On the Moratorium, it had been highlighted that e-commerce played a crucial role in sustaining the global economic activities during the COVID-19 pandemic and would be a key component to economic recovery. Thailand therefore supported the continuation of the current practice of extending the Moratorium to maintain certainty and predictability for global business at that critical juncture.

8.22. The representative of Chile supported the Moratorium. Many studies had shown that customs duties could lead to loss of income for those involved in e-commerce. They only had limited effect on government revenue but could significantly impact competitiveness. The advantages of the Moratorium for developing countries had further been highlighted during the workshop on the matter held at the WTO. In taking a decision on the Moratorium, Members should also listen to the opinions of businesses particularly MSMEs from developing countries. On its scope, it was clear that the content of what had been transmitted had great value.

8.23. Chile was convinced of the development benefits of maintaining the Moratorium and called for its renewal on a permanent basis. Chile was pleased to see the reactivation of those discussions in 2020 despite the difficulties caused by the pandemic – demonstrating the existence of proper fora to discuss concrete interests brought forward by Members under the Work Programme. Chile therefore did not see the need for the Work Programme to be a permanent item on the General Council's agenda.

8.24. The representative of the United States said that the Moratorium had supported the rapid growth of digital trade over the past two decades and Members should be ready to agree to a permanent moratorium. In the previous meeting, several Members had raised questions about the scope and definition of the Moratorium, including whether it applied to content transmitted electronically. As the United States had said before, the Moratorium clearly required tariff-free treatment of digital content transmitted electronically. An alternate view would render the Moratorium all but meaningless and would call into question what their Ministers had thought they had been agreeing to in 1998.

8.25. The United States remained open to further discussions on any aspect of the Moratorium in advance of MC12. However, the it had explained previously, the United States did not see a need to establish any new permanent agenda items for the General Council or in the subsidiary bodies. Some Members had continually highlighted the importance of the Work Programme while also signalling their potential opposition to the continued renewal of the Moratorium. The United States noted the relationship between the Work Programme and the Moratorium in Ministers' 1998 decision and in subsequent Ministerial decisions. If the Moratorium would be discontinued, it was unclear that there would be a consensus to continue the Work Programme.

8.26. The representative of Chad, on behalf of the LDCs, referred to the LDC Submission on the Group's priorities under the Work Programme on Electronic Commerce. The LDC Group hoped the Chair's successor would be able to guide Members in their deliberations that would produce recommendations for them on the extension of the Work Programme and the treatment of the Moratorium. The LDC Group had noticed dynamic engagement on the e-commerce platform in 2020 with high revenue results commensurate with the boost in demand for e-platforms including web-meetings. There were also many e-commerce opportunities and success stories in their communities.

8.27. Capacity and infrastructure challenges in LDCs however remained severe. The LDCs remained willing to continue to contribute in the discussions under the Work Programme and looked forward to the Chair's successor's leadership to provide Members with a structured schedule of meetings to bring together the elements otherwise mired in fragmented discussions occurring in the various bodies. That would enable a more effective deliberation of issues involving the Work Programme and the Moratorium – particularly as the current decision would expire at MC12.

8.28. The representative of Sri Lanka noted that due to the implications the Moratorium had on developing countries – which included tariff revenue losses, impact on industrialization, impact on the use of digital technologies such as 3D printing in manufacturing and losses of other duties and charges – Members should continue with their discussions under the existing Work Programme in the respective bodies as per the specific mandate. Empirical data revealed that the developmental gains to be derived from the Moratorium were much less compared to the revenue that had been foregone by small countries such as Sri Lanka since 1998 after agreeing into the Moratorium.

8.29. As flagged by many delegations, Sri Lanka was also having serious concerns especially given that the six-month period agreed on the Moratorium in 2019 was currently extended for another two years making the entire time-period of the Moratorium four years. That had not been envisaged at the time Sri Lanka had agreed with the extension of the Moratorium in December 2019. Progress in implementing the Work Programme had been hindered by its indecisive nature, the complexity of

the addressed issues and the deadlock of the Doha Round. When assessing progress, Sri Lanka was disappointed and concerned that the discussions on those specific fora had been overtaken by the plurilateral JSI – which had also equally compromised the Secretariat's resources.

8.30. The ultimate result had been that e-commerce discussions had lacked focus – moving at snail speed and scattered between the four designated bodies. Members could not continue to bear those setbacks if they were to continue with the existing Moratorium beyond MC12. It was therefore important to significantly update the 1998 Work Programme on Electronic Commerce and to understand the scope of the Moratorium, its potential impact on the sustainability of the domestic industries and job creation in developing countries and on revenue generation as a matter of priority which would give Members the required level of comfort for continuing with the Moratorium.

8.31. Members' priority in that area should focus on the scope of the Moratorium which would inform decision-making by MC12. Accordingly, Members should have an updated Work Programme which could provide clarity on those issues – making a decision on the Moratorium much easier to take in the future. Considering the significant importance of the continuation of the Work Programme in a meaningful and systematic manner, Sri Lanka supported the proposal made by South Africa and India to reinvigorate the Work Programme under the existing bodies.

8.32. The representative of Chinese Taipei recalled that, as shown in the past 22 years, the practice of not imposing customs duties on cross-border electronic transmissions had significantly supported the growth of the ICT sector and had assisted MSMEs to integrate into global trade. Chinese Taipei therefore agreed to maintain the Moratorium and reaffirmed its support to make it permanent. Chinese Taipei was pleased to see the fruitful discussions in the relevant WTO Bodies on the Work Programme on Electronic Commerce. The sharing of practical experiences and information among Members helped promote related work and bridge the digital divide. Chinese Taipei would be pleased to listen on the reasons why the current structure of discussion was insufficient and why there was a practical need to establish a new standing agenda item beyond the existing format.

8.33. The representative of the European Union welcomed the interest expressed by Members to engage in discussions in the context of the Work Programme including on the Moratorium. The COVID-19 pandemic had highlighted the importance of electronic commerce. The European Union was pleased with the useful exchanges on the development dimension of e-commerce such as in the CTS in the course of the year and remained open to continuing those discussions.

8.34. The European Union underscored that the Moratorium provided the predictability and security that consumers and businesses – both in developed and developing countries – needed when engaging or planning to engage in e-commerce. Several recent economic studies had provided scientifically solid new evidence on the positive economic implications of the Moratorium. That was not the case of the recent UNCTAD paper on e-commerce which took a narrow approach without looking at the broader economic benefits of the work that Members carried out in the WTO.

8.35. The European Union remained committed to continue engaging in structured discussions on the Moratorium in line with the General Council Decision of December 2019 taking into account the new evidence that had been published over the last couple of years on the multiple benefits of the Moratorium for business and citizens. While Members had decided to extend the Moratorium until MC12, the European Union hoped that the Ministers would be in a position to consider a longer term – if not permanent – extension at the upcoming Ministerial Conference in December.

8.36. The representative of Pakistan recalled its statements under that agenda item on previous occasions. The Moratorium had already been under discussion for quite some time. Rapidly evolving technologies in the digital age, while becoming great enablers, were also a reminder of how far behind developing countries were in modern digital times. At the same time, such developing countries, most often constrained financially, and at the same time seeking to advance sustainable development through modern technologies, could not ignore serious revenue and industrial implications for their economies.

8.37. Specifically, the scope and definition of electronic transmissions was increasingly becoming a complex area. At a domestic and social level, welfare for the consumers and producers within a national economy needed to be balanced by governments as well. Opportunities for digital industrial development in developing countries could only improve if the choice to maintain duties remained

with sovereign governments to allow them to choose if, on what and when to impose duties. Any decision on the continuation of the Moratorium could not be straightforward and should consider all aspects affecting developing countries.

8.38. The Government of Pakistan had put digitization and digital development as one of its top priorities. Members should find collective ways for developing countries to secure their place on the global digital map. As the multilateral mandate on the 1998 Work Programme on Electronic Commerce needed to be fulfilled in a focused way to discuss and explore solutions for developing countries, Pakistan supported the call for its reinvigoration.

8.39. The representative of China said that the decision adopted in 2019 had been important for providing predictability to the global e-commerce market – enhancing the confidence of businesses and consumers in the multilateral trading system. China supported that decision and believed that the discussions in various forms had been useful and had shed more light on the issues such as the scope and definition of electronic transmissions and the implications of the Moratorium on the global economy. China urged Members to continue their constructive efforts and to strive to achieve a meaningful outcome from the structured discussions that would better inform the decision-making process in the lead up to MC12.

8.40. The representative of Turkey noted that the growth of the digital economy in the past fifteen years triggered further discussion on the topic. Digital transformation had changed the traditional way of trade. In the face of breakthrough technologies, it was not always easy to predict new opportunities and challenges ahead of them. Addressing the trade-related aspects of digitalization in the WTO was thus crucial. Reinvigorating the Work Programme would assist Members in that respect and the JSI on Electronic Commerce could be complementary to their multilateral agenda.

8.41. On the other hand, due consideration should also be given to the clarification of the scope of the Moratorium, definition of electronic transmission, identification of the products covered under the Moratorium and its impact on customs duties. In their work, Members should not only consider the benefits of the Moratorium especially in supporting MSMEs in developing countries but also the digital divide and the need for policy space. A truly unbiased methodology would be beneficial in assessing all the aspects of the Moratorium and could contribute to their decision in the future. Until they had a clear picture, extending the Moratorium could be an appropriate solution.

8.42. The representative of South Africa recalled the joint proposal it had made with India on reinvigorating the work under the Work Programme in the General Council meeting in December. In the 2019 decision, Members had agreed that work would include structured discussions in early 2020 based on all trade-related topics of interest brought forward by Members, including LDCs, including on scope, definition and impact of the Moratorium. Members had also agreed to maintain the current practice of not imposing customs duties on electronic transmissions until MC12. Members had further agreed that the General Council should report to the Twelfth Session of the Ministerial Conference.

8.43. There was no single agreed definition and/or use of the term e-commerce and what it comprised – with the WTO, its individual Members, international organizations, business entities and other relevant stakeholders using different formulations. To make matters worse, the terms "e-commerce" and "digital trade" were often but not always used interchangeably. That interchangeable use of terms and the existence of various definitions meant that the definition of e-commerce and/or digital trade were a matter of debate with potential implications for the scope and definition.

8.44. In 1998 when the Work Programme had been launched, it had not been possible to predict the far-reaching and fast-paced evolution of digital technologies and their effect on trade that had led to the spread of e-commerce as Members knew, including its implications on production. South Africa's interest was on digital industrialization and to preserve the policy tools it needed to achieve that objective. There were issues identified by Members under the Work Programme that required clarification to enable common understanding on e-commerce such as classification, definition and scope. Those issues needed to be clarified by the Membership and could not be clarified only by a group of Members under the JSI.

8.45. For example, the GATS used a positive list approach to its schedules of commitments coded to a classification of categories of services and modes of supply. Those governed market access and national treatment obligations. The classification used in the WTO in the GATS was the W120 which

was based on the 1991 Provisional Central Product Classification system of the United Nations. There was no agreement whether new services which had been created since 1991 were captured in the existing categories in the W120 or CPC, or if new categories should be created.

8.46. In addition, the Work Programme provided that the General Council examined any issue of a crosscutting nature. In June 2001, the General Council had identified seven crosscutting issues for Members' deliberation. Those had been: (i) classification of digital products as goods or services, (ii) issues concerning developing countries and LDCs, (iii) revenue implications of e-commerce especially for developing countries, (iv) relationship between e-commerce and traditional forms of commerce to assess short-term disadvantages for developing countries, (v) impact of continued moratorium on custom duties on developing countries, (vi) competition related issues including constraints on e-commerce due to concentration of market power and (vii) jurisdictional challenges for e-commerce disputes. Those issues were still relevant and the discussions remained urgent.

8.47. The COVID-19 pandemic further highlighted the need to reinvigorate the work under the Work Programme in view of the deepening digital divide both within and between countries. Despite the rapid uptake of digital technologies, significant divides remained. The WTO had a unique opportunity to contribute towards laying the foundation for a more just and inclusive digital economy. The CTD's work was therefore urgent. E-commerce was evolving rapidly. It was a multi-faceted issue that could not be reduced to rules only. The Work Programme was designed to adopt a comprehensive and holistic approach to e-commerce to ensure equitable benefits for all in e-commerce.

8.48. The renewal of the Moratorium would be an anomaly when there had been limited discussion on the fundamental issues outlined in the Work Programme and there was no effort by Members to engage in constructive discussions that resulted in equitable benefits for all. A serious conversation on the scope and definition was required. Otherwise, a decision at MC12 would be a challenge. South Africa stood ready to engage constructively on the issues under the Work Programme.

8.49. The representative of the United Kingdom was a strong supporter of the Moratorium and fully supported making it permanent because the gains from trade and investment were so significant including for developing countries. The United Kingdom welcomed the continued engagement by Members on that important issue. While there were clearly different views across the Membership on the Moratorium, it was important that the Work Programme continued to be the forum where those views were discussed and debated. Although, like others, the United Kingdom saw no need to make it a standing item on the General Council agenda.

8.50. As COVID-19 continued to impact everyone, digital trade and digital platforms had been essential in mitigating the economic and other consequences of the pandemic and would be critical to economic recovery. If the WTO was unable to agree rules on e-commerce, that reality would change. It simply meant that the rules on e-commerce would get written elsewhere as they had been for the last three decades without the broad representation that the WTO provided. That was why the work being delivered through the JSI on Electronic Commerce to deliver global rules on digital trade was important for both developing and developed countries and the United Kingdom continued to actively support those discussions.

8.51. The representative of the Republic of Moldova welcomed the interest to having discussions under the Work Programme particularly given the context of increased activity on e-commerce following the pandemic. Moldova continued to support the extension of the Moratorium and maintained similar provisions in its FTAs. Considering its positive impacts and developmental implications as demonstrated by researches and studies, Moldova positively viewed making the Moratorium permanent in the future. Moldova also remained interested in any assessment that explored the effects of the Moratorium on budget revenue and positive developmental implications.

8.52. The representative of Peru noted that Dr. Ngozi Okonjo-Iweala's appointment as Director-General was a real milestone for the organization and a recognition of her professionalism and vast experience in international organizations as well as a clear example for women the world over. Peru could find in her a point of reference of what could be achieved in one's personal and professional development. Peru supported the content of her initial message and agreed with her on the importance of the WTO resuming the central role which it should play in the multilateral trading system. Peru hoped that that would lead to concrete outcomes for all countries especially for developing ones in the context of the devastating consequences of the COVID-19 pandemic. Peru

reiterated the importance of the development of e-commerce and the central role that the Moratorium played in that regard.

8.53. The Moratorium was not only enshrined in bilateral and regional agreements that Peru had signed up to with its main trading partners, both developing and developed countries, but it was also one of the most important tools for internationalizing business especially MSMEs and for promoting the development of one of the most important sectors for economic growth and the transformation of a country's economy. Peru reiterated its commitment to and support for the work which had been undertaken by the JSI on Electronic Commerce. Peru was examining the consolidated text and the work done in small groups which provided a picture of what Members could achieve for the next Ministerial Conference. Peru welcomed the work undertaken by the JSI co-convenors – Australia, Japan and Singapore – as well as the facilitators.

8.54. The representative of Norway said that it was important to continue the dialogue on the relationship between development and e-commerce and looked forward to continuing discussions under the Work Programme. Norway continued to support making the Moratorium permanent. When assessing its economic implications, Norway believed in taking a holistic approach that considered the real economic benefits associated with the Moratorium – which did not prevent Members from imposing internal taxes, fees or other charges. Introducing new barriers on electronic transmissions could only have a negative effect on the development of digital industries that depended on cross-border data flows. The Moratorium had created predictability both for consumers and businesses including MSMEs and for domestic regulators and customs authorities. It was vital to retain that predictability particularly in the current economic environment with increased uncertainty.

8.55. The representative of Namibia recognized the importance of e-commerce in economic development and called for the continuation of the Work Programme as indicated in WT/L/274. Namibia reaffirmed its position to find a permanent solution on the Moratorium.

8.56. The representative of Japan believed that the objective of the Moratorium was to ensure certainty and predictability in international trade for both businesses and consumers. To achieve that objective, Members should extend their current multilateral practice of the Moratorium at MC12 and beyond. Japan likewise hoped that it would become permanent. Japan also recognized the importance of the Work Programme on Electronic Commerce which had formulated a solid foundation for the longstanding practice of the customs duties moratorium. In that regard, Japan was open to reinvigorating the work under the Work Programme as appropriately in the run up to MC12 based on the agreement in the General Council in December 2019.

8.57. Those discussions related to the Work Programme could be covered under the agenda item: "Implementation of the Bali, Nairobi and Buenos Aires Outcomes". Japan was not convinced that there was a need for having a standing agenda item on the Work Programme. Members were provided with ample opportunity to have discussions under the Work Programme in other relevant WTO bodies such as the CTS and the CTG. Members had already agreed in the General Council in December 2019 to have structured discussions on the Moratorium. Those discussions could take place under such fora as informal open-ended meetings convened by the General Council Chair and workshops organized by the Secretariat. The existing format could already provide Members with sufficient foundation for their discussions on the Work Programme and the Moratorium.

8.58. The representative of Saint Lucia, on behalf of CARICOM, reiterated a number of critical points in the recent past concerning the Work Programme on Electronic Commerce and the Moratorium. CARICOM recognized the significant importance of electronic commerce to its region's development in terms of deeper integration of the digital space in the CARICOM single market and economy and the opportunities for meaningful cooperation in the multilateral trading system. The broader economic and social benefits to be derived from electronic commerce were well documented and well understood. Notwithstanding the benefits to be derived from electronic commerce, CARICOM also recognized that many developing countries faced overwhelming regulatory, legal, infrastructural and resource challenges and that digital divide had only been amplified by the COVID-19 pandemic. CARICOM reiterated its commitment to reinvigorate the Work Programme and renewed its call for focused discussions on e-commerce and development in 2021.

8.59. Members should go beyond the truncated discussions taking place in the various Committees and give urgent consideration to a format that facilitated extensive and transparent discussions on

the challenges and opportunities related to e-commerce. The CARICOM Group also joined with other Members in December 2019 in agreeing to extend the Moratorium until MC12. The CARICOM Group had previously expressed its reservations regarding a narrow focus on the Moratorium at the expense of other trade-related topics of interest to Members such as with respect to bridging the digital divide and addressing issues on the legal and regulatory frameworks. The CARICOM Group would like to see structured discussions on the relevant opportunities and challenges faced by all Members with respect to all aspects of electronic commerce and would continue to assess the fiscal impact of the Moratorium as well as its impact on the private sector and on consumers.

8.60. The representative of Australia was pleased to be fully engaged in efforts to reinvigorate the 1998 Work Programme. That was why Australia had been involved in the work in the CTS together with other Members on digital trade in relation to the particular situation of developing countries and LDCs responding to the kinds of concerns the Chair had earlier mentioned and that South Africa had said in the discussion. Members could not achieve everything through rulemaking but rulemaking remained important. As the United Kingdom had said, if Members did not set the rules at the WTO, those rules would be done elsewhere. The plain fact was that Members had failed to make progress on that issue multilaterally and the global economy continued to move online – a trend that was only exacerbated by the pandemic. Members needed to ensure that the WTO and its rules kept up. That was why the initiative under the plurilateral guise of the JSI on Electronic Commerce had been launched and that was why the JSI continued to be inclusive, transparent and open.

8.61. On the Moratorium, Australia considered that a permanent moratorium on customs duties on electronic transmissions would be useful and should be central to WTO discussions on e-commerce. It was an indispensable feature of the modern trading system that consumers used – free of the kinds of inhibitions that customs duties would impose. Australia was willing to engage in future discussions on that meaningful matter. Australia did not see the need for a Work Programme to be a standing item on the General Council agenda and preferred the discussions on those issues to continue in the manner they had been undertaken to date in the relevant forum. That day's discussion confirmed why it would be useful to refer those discussions to the relevant fora.

8.62. The representative of Switzerland recalled that the Work Programme on Electronic Commerce was already reviewed on a regular basis by the General Council. Moreover, other WTO bodies provided considerable opportunities for engaging in substantive discussions. It was therefore preferable to continue past practice. Switzerland did not see any additional value in having a standing item on the matter in the General Council but remained ready to participate in revitalizing the Work Programme and to further engage in "structured discussions", as agreed in December 2019. Those discussions should take place in a timely manner, with appropriate preparations having been made. Switzerland also stood ready to continue the discussion on the various aspects of the Moratorium. Bridging the digital divide and introducing a minimum set of rules for digital trade were not contradictory undertakings. Work in those two areas was both necessary and complementary. Switzerland considered the Moratorium to be an important framework condition for the digital economy as it had contributed to the development of e-commerce and should be made permanent.

8.63. The representative of Bangladesh associated with the statement by the LDC Group and noted that the decision by the General Council in 1998 on the Work Programme on Electronic Commerce in WT/L/274 remained relevant. Bangladesh recalled its submission in 2017 in JOB/GC/152/Rev.1 containing a draft Ministerial Decision requesting the General Council to direct the four bodies to conclude the discussions on the issues assigned to them under the Work Programme and to report back to it. Bangladesh welcomed a further comprehensive discussion on the issues raised by South Africa and India in its communication in WT/GC/W/812 and requested to keep the item on e-commerce on the General Council's agenda in its future meetings. Bangladesh stood ready to engage in constructive discussions with Members.

8.64. The representative of Singapore heard the call for greater attention to be paid to e-commerce. Singapore, like many other Members, remained committed to fully implementing the December 2019 General Council Decision which had two intertwined aspects: to reinvigorate the Work Programme and to maintain the practice of not imposing customs duties on electronic transmissions until MC12. Members should focus on the substance rather than the form. There was already ongoing and extensive work on the Work Programme on Electronic Commerce which they could develop further in the existing Committees.

8.65. Members should also recognize that e-commerce was a wide-ranging and fast evolving subject matter. They would never be able to fully cover every aspect of e-commerce in the WTO. Instead of trying to exhaust all its analytical angles, it would be more fruitful to deepen their understanding of the key issues as they had done during the structured discussions and also concentrate on identifying meaningful steps forward. In that context, it was not necessary to have a standing agenda item in the General Council as there was scope to expand ongoing work in the well-established WTO Committees. In recent months, there had been constructive conversations in the CTS on exchange of information and experiences based on Members' submission.

8.66. Members could play an important role in the post pandemic recovery but they had to engage constructively and sincerely on that issue. It was clear that the Moratorium had delivered many known benefits including predictability that had been the major driver of e-commerce and that had benefitted greatly MSMEs and women. While there were still dimensions that were unexplored, Members should engage constructively in the lead up to MC12 with a view to extend the Moratorium. Extending the Moratorium would reassure stakeholders and ensure that the WTO continued to remain relevant in the post pandemic recovery.

8.67. The representative of Israel supported the 1998 Work Programme on Electronic Commerce and the decision to extend the Moratorium agreed in December 2019. While supporting the discussion on trade-related aspects of e-commerce in various WTO bodies, Israel recognized that the practice of not imposing customs duties on electronic transmissions had helped to substantially grow international trade in the ICT sector and had provided certainty and predictability to MSMEs as well as to global businesses and to consumers worldwide. Under the current circumstances shaped by the pandemic, e-commerce proved to be essential for the continuation and the smooth flow of trade. As such, Israel continued to strongly support the Moratorium.

8.68. The representative of Mali noted that Members had not yet exhausted the Work Programme. In 1998, four WTO bodies had been tasked to discuss specific topics related to e-commerce and had to look at the impact of e-commerce on LDCs and on developing countries. That work was not yet done because Members were yet to fully discuss the actual effects of e-commerce on countries such as Mali. For example, Mali needed to know the fiscal implications of the Moratorium to its budget and to its GDP. In those discussions, Members should also think of what they could do for countries such as Mali to help them reap the benefits of e-commerce.

8.69. The General Council had a moral duty to ensure that Members discussed such matters since the Work Programme had already been going on for a long time. Negotiating new rules was not the main objective of the Work Programme. Otherwise, it would be tantamount to a Member who was not ready to assume new commitments, let alone engage in such discussions, to be asked to do so. That was not going to work. Members should instead look at issues such as transfer of technology because that was something helpful for countries like Mali but that had not yet been implemented nor fully discussed – which also showed the need for the Work Programme to continue.

8.70. The representative of India thanked Members for their engagement that day under that agenda item. The interest shown by Members highlighted the benefits of having that issue as a standing item in the agenda for the General Council. India urged the Membership to actively and constructively engage in discussions on Work Programme in the General Council and in other relevant WTO Bodies including on the issue of the moratorium on customs duties on electronic transmissions and its scope and coverage and its implications in terms of revenue foregone and policy space and development. Without knowing its scope, impact and definition, it would be difficult to guide and advise their Ministers on a decision on that crucial issue for MC12.

8.71. India asked whether Members were willing to promote competition or destroy it. Any rulemaking process protecting existing players and obstructing the level playing field for new players would be disastrous for the digital market in the long-run. It was also interesting to see that while the proponents of the continuation of the Moratorium passionately sought continuance of S&DT for digital trade vis-à-vis physical or conventional trade of goods, they did not see similar merit in S&DT for developing Members in the ongoing negotiations in other areas. India likewise asked how long would the proponents seek for the continuation of such support. It would be helpful to know how long a fast growing and efficient sector like digital trade would need crutches such as the Moratorium.

8.72. In view of the above, the General Council should continue structured and thematic discussions under the important mandated Work Programme and direct that the Work Programme be a standing item on its agenda and the agenda of relevant WTO bodies mandated to do so under WT/L/274. The General Council should also play a central role in those discussions by keeping the Work Programme under regular review and taking up the consideration of any trade-related issue of crosscutting nature as entailed in the Work Programme. Those could include the developmental aspects of e-commerce, the scope, definition and impact of the Moratorium and the examination of the challenges experienced by developing countries and LDCs in relation to electronic commerce including exploring ways of enhancing their participation in electronic commerce.

8.73. The Chairman noted that Members had had an exchange of more than an hour in which 32 delegations had intervened. He hoped that Members were listening carefully to each other in that discussion. As he had said under agenda item 2, Members had a decision from the General Council in 2019 which had instructed the General Council to report to the Twelfth Session of the Ministerial Conference. He urged all Members to continue to actively engage in the discussions on the multilateral Work Programme on Electronic Commerce and the Moratorium which, as had been recalled that day, were two issues that they needed, as the General Council, in preparing Ministers for their consideration of that matter in December. Those who had made the points that day that they should, under that decision, be having structured discussions would recall that they had already been doing it. There had been particular concrete issues brought forward for discussion whether in informal open-ended meetings or workshops – whichever was the most appropriate format to discuss a specific issue raised.

8.74. Clearly, the relevant bodies had a relevant part to play in that process. Otherwise, they would not have been made relevant in the first place and Members would not attempt to bring specific issues into the four WTO bodies for them to be discussed in the most relevant forum – which was evidently not the case as discussions had and were currently taking place in them. And issues of a crosscutting nature were brought up and discussed at the General Council. He knew that the Chairs of the four bodies were keen to have those discussions and that Members were collectively distilling through into what could most attractively and meaningfully be discussed in the General Council. There was a lot of agreement there among delegations and he hoped that they could find a way to bring that together in a manner that did justice to all the issues raised and did justice to all of them as Members in the preparation that they need to make for their Ministers in December.

8.75. The General Council took note of the statements.

9 CALL TO PREVENT EXPORT RESTRICTIONS ON COVID-19 VACCINES – COMMUNICATION FROM COLOMBIA, COSTA RICA, ECUADOR, PANAMA AND PARAGUAY (WT/GC/W/818)

9.1. The Chairman recalled that the item was included in the agenda by the delegation of Colombia and the co-sponsors of the communication in document WT/GC/W/818 concerning a Call to Prevent Export Restrictions on COVID-19 Vaccines.

9.2. The representative of Colombia noted that the title of the agenda item, "Call to prevent export restrictions on vaccines", said it all. Costa Rica, Ecuador, Panama and Paraguay, in addition to Colombia, noted with concern the potential direction in which the global vaccine trade could be heading and issued a systemic call to all Members, now and in the future, to avoid that type of practice. The communication made specific mention of the mechanism implemented by the European Union. That was not because it was the only mechanism to provide for such measures but because it was currently being implemented and because it was a matter of concern that it was that particular Member that was setting an example of the negative practices that they all wished to eradicate.

9.3. In that connection, Colombia acknowledged the great work of that Member in the fight against the pandemic. Colombia recognized and appreciated the decisive role played by the European Union in multiple health and trade related aspects as well as its general push for collective and multilateral responses during the pandemic. For example, Colombia welcomed the European Union's participation in and funding of COVAX, the impetus it had given to the Access to COVID-19 Tools Accelerator and the momentum provided by the European Union and its Member States to the public funding of the research and development that had resulted in the creation of vaccines and other advances of importance to all Members in the global fight against COVID-19.

9.4. Colombia also recognized the value of the Trade and Health Initiative spearheaded by a number of countries, with the European Union providing clear leadership on the Initiative's precepts. Colombia had supported the general terms of the Initiative and would continue to do so. Colombia was also conscious of the difficulties experienced by all Members of the organization in dealing with a situation of that scale. That was the largest global vaccination campaign in history. However, the response at that time could not be to focus exclusively on the individual interests of each Member which resulted in measures that could restrict exports of vaccines or other treatments.

9.5. Colombia did not wish to enter into a legal discussion on the specific points of the measure. The objective was not to discuss whether the proposal was as targeted, proportionate, transparent and temporary as it should be. There were many questions and unknowns in that regard, but that was not the current focus. Nor were the proponents seeking a discussion on the potential effects, Member by Member, of those possible measures. They knew, and were grateful, that, to date, no specific export restrictions had been imposed under the transparency mechanism.

9.6. However, such restrictions could be imposed and were explicitly provided for in the mechanism adopted. On that matter, Colombia underscored that it was not only essential to ensure effective access to vaccines but also the predictability and uninterrupted efficiency of the global vaccine supply and distribution chain because that was the only way that Members would be able to effectively devise and implement their vaccination plans. Their call therefore was essentially systemic. That type of measure known colloquially as vaccine nationalism was not something that Members would want to scale up. That was not in their common interest.

9.7. The intention was therefore not to be contentious. That was an appeal, not only to the European Union, but to all Members, for them not to lose their way in their collective fight against the pandemic, especially in the highly difficult circumstances all of them were currently facing. It was also an appeal to everyone as that matter should be of concern to all, even those who, for one reason or another, would be covered by an exemption from that type of measure. Subject to further analysis, Colombia itself could be one of the exempt Members. Measures that could restrict exports and a Member's failure to express concern about them because it could be exempt and therefore not directly affected were both, to differing degrees, forms of vaccine nationalism. The appeal was therefore made to everyone.

9.8. To date, the measure had had a limited impact and was expected to be repealed. However, it was still a sign that should give Members all cause for concern and they should work together so that such measures would not become more widespread and take root. They could not possibly be considered good practices especially when Members were working to develop collectively the good practices that they would like to be used in the future. That was the idea behind and the sole, but crucial, purpose of that appeal. Now was the time to build trust among Members and in the multilateral system generally. It was not the time to undermine that trust.

9.9. Colombia thanked the delegations of Costa Rica, Ecuador, Panama and Paraguay for their courage and excellent ideas on the matter. They were all small or medium sized countries, but all of them were convinced of the supremacy of rules over force. They were also aware of the great interest and concern provoked by that matter in the immediate future, and, above all, in the medium and long term in their countries and for all Members in general.

9.10. The representative of Ecuador supported the statement by Colombia on the communication which detailed the concerns of Colombia, Costa Rica, Panama, Paraguay and Ecuador relating to the requirements implemented by the European Union on the export of COVID-19 vaccines from the territory of its Member States. A publication had recently analysed the COVID-19 vaccine supply problem in terms of vaccines being concentrated in some countries and the perspectives that the medium and low income countries had in terms of implementing their vaccination campaigns which could last until 2023 or 2024. Ecuador trusted that the recent announcement with regard to the new vaccines would mean that vaccination campaigns around the world would speed up, that they would see no more deaths and that the global economy would recover rapidly.

9.11. The world was interrelated so there would be negative effects that were inescapable for any country. Global problems required global solutions. Members needed to work together if they were to overcome that problem globally. That was an essential factor for the recovery of trade and the global economy. The production, allocation and distribution of vaccines was important to all

countries. All Members and all international organizations should do their part to ensure that the vaccines were distributed globally. As the Director-General had said, it was not business as usual. Within the WTO and the rules that governed the multilateral trading system, Members needed to apply those rules to ensure that trade agreements for the acquisition of vaccines were respected, to eliminate the obstacles for the circulation of essential medical supplies and to overcome any administrative barrier that would prevent fairer access for vaccines for all without exception.

9.12. Ecuador and the co-sponsors recognized that Members needed to follow WTO rules. At the same time, Ecuador acknowledged that the EU measures were short-term, that exports of vaccines had so far not been restricted under that framework, that they had not affected a significant number of countries and those focused at particular commitments from private suppliers. However, Ecuador was concerned by the measure because it sent a message favouring unilateralism in a time when Members required multilateral understanding. They needed to show the efficiency of the multilateral trading system now more than ever. Such measures could be used by others in the future as a precedent which could undermine the solidarity demonstrated in the fight against COVID-19.

9.13. As reflected in the communication, Members should likewise recognize the commitment shown by the European Union and its Member States to produce those vaccines for fight against COVID-19. There had been ongoing research and development done directly and in cooperation with pharmaceutical firms and the EU Member States. The support of the European Union for COVAX and GAVI and the mechanisms such as those established by the Pan American Health Organization were important. Ecuador's appeal was aimed at promoting a spirit of cooperation and international solidarity so that access to vaccines was universal and was guaranteed through Members' collective work – so that there would be no possibility for any global action to be blocked.

9.14. Controlling the pandemic required years-worth of effort. The WTO promoted the common interests of all of its Members to overcome various challenges. Together, they could ensure that the rules which governed multilateral trade between countries would also support and protect universal access to vaccines and other medications which were essential to fight COVID-19 and that there would be no trade barriers to vaccine distribution and to the related global supply chains allowing the rapid reception and effective use of those products.

9.15. The representative of Paraguay recognized and welcomed the participation and the funding that the European Union had provided to COVAX and other initiatives as well as its leadership in the Trade and Health Initiative. G/MA/QR/N/EU/5/Add.1 allowed the adoption of restrictions for exports of vaccines which were produced in the territory of the European Union and had the potential to create disruptions in distribution chains globally. Although initially adopted for six weeks, that measure could be renewed up to 31 March. Beyond the specific measure referred to in the communication, Paraguay was concerned by the systemic implications of that being replicated.

9.16. The Trade and Health Initiative led by the Ottawa Group recognized that developing countries and LDCs had low capacity to produce those resources and they were dependent on imports of them. That kind of measure could potentially limit the access to essential medication for various developing countries in contravention to what was noted in the Trade and Health Initiative. The possible negative impacts of that kind of measure for fair and timely access to vaccines was being noted in what had been appealed to by various delegations in the context of TRIPS.

9.17. The COVID-19 pandemic was global and the access to vaccines was a global public good in terms of prevention and mitigation efforts. The aim was to put an end to the pandemic. The circumstances required a response which would allow global cooperation to enable access to vaccines for all countries or to request additional resources that would facilitate their timely distribution. The fight against COVID-19 required an inclusive global solution. Nobody was safe until everybody was safe. Paraguay appealed to the European Union to lift that measure as soon as possible and to avoid renewing it – and to all Members to do everything they could to avoid implementing similar measures so that all Members could make progress in their vaccination campaigns.

9.18. The representative of Panama shared the systemic concerns expressed by the delegations who had previously spoken and recognized that the impact of the pandemic had led Members to take dramatic measures to control its spread. The suspension of trading activities, among others, had affected the economies and development of their countries – exposing serious challenges. The European Union, like many other Members, had expressed its commitment to international solidarity

in the fight against the COVID-19 pandemic. On a number of occasions, Panama had supported measures that were considered necessary to confront the pandemic and were transparent, proportional, related to fighting the pandemic and consistent with WTO rules.

9.19. Panama was concerned by the implementation of measures which would restrict exports of vaccines and their ingredients which were required to globally combat COVID-19. COVID-19 did not recognize levels of development nor borders. As a global issue, it necessitated a global response from all Members by ensuring that they could all receive and distribute the necessary amount of vaccines and medicines to control COVID-19. Panama appealed to all Members to not impose policies similar to the one at issue and instead work together to avoid interruptions in the production and distribution of supplies that could prevent them from ensuring social and economic recovery for all.

9.20. The representative of Costa Rica recalled that the European Union had notified the WTO on 5 February in its communication G/MA/QR/N/EU/5/Add.1 of the implementation of a new export restriction through the establishment of an export authorization requirement for COVID-19 vaccines produced in the European Union. Any disruption in supply chains and global distribution had a direct impact on national vaccine distribution protocols especially when universal and predictable access to vaccines was crucial to effectively combat COVID-19.

9.21. Bearing in mind that global production of COVID-19 vaccines was highly concentrated geographically, Costa Rica was concerned about the possible impact that the measure could have on the vaccine production and distribution chain especially in developing countries such as Costa Rica that were highly dependent on imports essential in the fight against the pandemic. While recognizing the right of each Member to ensure the health of its population, during a global pandemic like the one the world was facing, a solution could only be found through Members' collective effort and enhanced multilateral cooperation.

9.22. Given the challenges related to the access to vaccines and the scope of the EU measures, Costa Rica had co-sponsored the joint communication and had asked that the item be placed on the agenda. Costa Rica called on those Members with the greatest capacities to ensure that their actions were in line with WTO rules and that they avoided trade policies that could undermine or prevent the distribution of vaccines worldwide. Costa Rica shared the objectives of the Trade and Health Initiative co-sponsored by the European Union and other Ottawa Group members and urged the European Union to exercise restraint in implementing the measures at issue and for all Members to make every effort to avoid further disruptions in the supply chains of essential medical products.

9.23. The representative of the European Union noted that the events of the last couple of months illustrated the difficult dilemmas Members were facing as global demand for vaccines greatly exceeded available supply. The global nature of the pandemic and the development of new variants demonstrated that no country was safe until every country was safe. Like many other countries, the European Union had also struggled with the lack of transparency in the delivery of vaccines, the production of which it had pre-financed. Their inquiries into reasons for delays did not result in satisfactory answers from some vaccine manufacturers. In order to ensure that vaccines and their ingredients were not directed to export destinations in unjustified volumes, the European Union had no choice but to introduce a transparency mechanism on COVID-19 vaccine export transactions.

9.24. The European Union was in a situation where some vaccine producers had overpromised and under delivered. They had committed more than what they produced. In that situation, the European Union needed to ensure a transparent distribution of vaccines and avoid a situation where the much-awaited vaccine went to the highest bidder or distribution was left to the arbitrary decision of vaccine producers. The European Union understood the concerns that Members had expressed. Paradoxically, the scheme and the reactions from other Members clearly demonstrated the need to agree on guiding principles in the WTO for the imposition of trade measures and in particular regarding transparency. The European Union had put in place an export authorization fully in line not only with its WTO obligations but also with its G20 commitments. And the scheme had been notified immediately to the WTO.

9.25. In the spirit of international solidarity, the European Union had also exempted from the scope of that measure 92 vulnerable countries which did not have sufficient financial resources and sufficient production capacity to supply their population with vaccines in adequate quantities. The European Union had also exempted neighbouring countries who, through their close integration in

the EU market and supply networks, had depended on vaccines supplies from the European Union. And more broadly, it had exempted any COVAX supplies from the scope of the measure to allow that global facility to achieve its goal of equitable distribution of vaccines across the globe. The European Union was happy to see that first supplies had been delivered to Ghana and Côte d'Ivoire the previous week. The European Union also reassured Members that the mechanism did not create unnecessary barriers to trade or any disruption to global supply chains.

9.26. Since the entry into force of the scheme on 1 February, the European Union had received 150 requests for export authorization. The European Union stressed that all of them had been accepted. Therefore, the measure had not slowed down the export of vaccines and the data compiled so far indicated that the European Union was the biggest vaccine exporter worldwide in a situation where there were very little exports from other OECD or G20 countries. Indeed, it should be underlined that the European Union was the sole significant exporter of COVID-19 vaccines among OECD members. The European Union was not engaged in vaccine nationalism.

9.27. It should be recalled that the COVID-19 vaccine production capacity in Europe, that it shared with the world, had been created through the European Union's support to vaccine producers in the form of the Advanced Purchased Agreements. The European Union had not restrained the ability of vaccine producers to engage with other partners but expected them to be fair when delivering on their contractual obligations. However, the root causes of the problem rested elsewhere: the exploding global demand was well above the global production that day. As long as that global industrial challenge was not met, and the world population was not vaccinated quickly enough, the entire world would all face a risk of a continuing health emergency including new COVID-19 variants and a prolonged economic crisis.

9.28. The European Union believed there was an important role for public authorities to play and to drive the increase of production, and to facilitate access to the currently needed vaccines and other treatments. Cooperation should be promoted among the different participants along the value chains where necessary to enhance production capacities. A closer, more integrated and more strategic public-private cooperation with the industry was needed. In that spirit, the European Union had set-up a Task Force for Industrial Scale-up of COVID-19 vaccines to detect and help respond to issues in real-time. In order to ramp up production, the European Union would, among others, work closely with manufacturers to help monitor supply chains and address identified production bottlenecks. Since the European Union's vaccine production was critical for global supply, the benefits of that initiative would extend beyond the European Union's borders.

9.29. Scaling-up of production on a global level required further actions. It would not happen without increased global collaboration with the pharmaceutical industry which should facilitate the transfer of the right know-how and technology for the highly complex vaccine production process. Members should facilitate that collaboration while also recognizing that intellectual property provided the necessary platform for it to take place. Waiving intellectual property rights would disrupt that collaboration and the transfer of know-how.

9.30. It was legitimate to engage the sector to ensure that all complementary production facilities across companies and continents were actively contributing to ramp up production. Companies that had tried and failed to develop a vaccine of their own, for example, should actively consider making their facilities available for the production of vaccines of successful companies. Companies with new vaccines should consider whether they had checked all options for licensing agreements to increase production. The objective should be to ensure they entered into licencing agreements with companies around the world that had the necessary production capacities and could export the vaccines to any low middle-income countries without production capacities. At the same time, Members should be mindful that the manufacturing of COVID-19 vaccines would not crowd out the production of other life-saving vaccines and therapeutics.

9.31. The European Union, working together with other Members and under the leadership of the Director-General, Dr. Ngozi Okonjo-Iweala, was ready to facilitate a dialogue between the vaccine developers and companies with the production facilities that were ready to step in to help out with the production of vaccines and their delivery to the countries in need. The European Union welcomed Dr. Ngozi's proposal to focus on collaboration among companies to enhance licensing in order to use all the adequate manufacturing capacity including in developing countries. The European Union was ready to facilitate that dialogue and contribute to the efforts on expanding those partnerships.

9.32. The European Union remained open to a dialogue with all Members on how to facilitate the collaboration with the pharmaceutical industry on the transfer of know-how and technology. In the same manner, the European Union remained open to a dialogue on how to facilitate the use of the TRIPS flexibilities should the voluntary solutions fail or not be available. The flexibilities offered by the TRIPS Agreement were absolutely legitimate tools for Members in need as many were in the midst of the pandemic. That included fast track compulsory licences for export to countries without manufacturing capacity. Administrative burdens should not stand in the way of manufacturing and delivering vaccines to where they were needed.

9.33. A successful contribution of the WTO to the pandemic would require all Members to agree on actions that would not only encompass the elements enshrined in the Ottawa Group's proposal on Trade and Health, such as export restrictions or transparency, but also addressed the problem of insufficient manufacturing capacity. The European Union stood ready to engage in such a dialogue.

9.34. The representative of Ukraine said that the COVID-19 pandemic continued to progress causing unprecedented, extraordinary negative impacts on the health and the social and economic well-being of communities around the world. The pandemic had also posed new challenges. Currently, companies manufacturing patented COVID-19 vaccines encountered production problems and could not supply enough vaccines without delays even for developed countries. As such, some Members had implemented export restrictions or control policies on COVID-19 vaccines. Ensuring global availability and greater access to affordable vaccines to tackle the pandemic was extremely important and should be the WTO's top priority. Global coordinated action could help countries find a common solution in dealing with the extraordinary challenges posed by the pandemic. Ukraine likewise remained ready to constructively engage in the discussions on the Proposed TRIPS Waiver.

9.35. The representative of Saint Lucia, on behalf of CARICOM, noted that a year after the COVID-19 outbreak, the world was still struggling to contain the virus and was currently contending for access to vital vaccines for various populations. Naturally, that was the highest priority everywhere. In the case of the Caribbean Community, the CARICOM region did not manufacture COVID-19 vaccines and was therefore totally reliant on external manufacturers for supply.

9.36. CARICOM Heads of Government had addressed that situation recently at the Intersessional Conference on 24 and 25 February and had expressed their dissatisfaction and deep concern about the inequitable access to vaccines for small States like those in the Caribbean Community. CARICOM Heads had also noted that, to date, even countries with the funds to purchase vaccines had been unable to procure and receive vaccines through commercial arrangements given the relatively small volumes which they sought. In that regard, they had called for a mechanism that allowed smaller countries to have access to sufficient vaccines at the earliest juncture if action was to be put behind the often repeated phrase "no one is safe until everyone is safe".

9.37. All CARICOM countries had signed on to the highly valued and much appreciated COVAX Facility which would provide up to 20% of Members' needs. That limited supply however would not allow them to attain regional herd immunity that was necessary to kickstart the durable recovery. CARICOM thanked the Governments of India and South Africa and the African Union for their generosity and solidarity during that time. The Government of India, through the generosity of Prime Minister Narendra Modi had donated an initial instalment of 170,000 vaccines to Barbados and Dominica through bilateral arrangement. CARICOM thanked its Member States Barbados and Dominica for having shared the initial supplies from India with the rest of the Caribbean Community.

9.38. CARICOM reported that the Indian Government had dispatched an additional 175,000 vaccines to five CARICOM Member States. That act of selflessness was testament to the stalwart solidarity of the Government and People of India with CARICOM. The Republic of South Africa and the African Union had also carved out an allocation of vaccines for CARICOM countries through the African Union's African Medical Supplies Platform. CARICOM urged vaccine producing countries to exercise due restraint in imposing export restrictions on COVID-19 vaccines. No country was truly protected unless all countries were equally protected. CARICOM also implored all countries to work on improving trade logistics to enhance the timely delivery of and access to vaccines.

9.39. The representative of the Republic of Korea thanked the European Union's detailed explanation of its measures and was aware of the fact that its objective was to ensure timely access to COVID-19 vaccines and that it, in effect, had not blocked any vaccine exports so far. However,

continued prudence would be required to secure the trust of other Members. Korea therefore asked the European Union to terminate such measures at the end of March when they were expected to expire. Korea concurred with the Director-General's call to reject vaccine nationalism. Members should refrain from engaging in vaccine protectionism and should instead join hands in strengthening multilateral efforts.

9.40. Ensuring fair and equitable access to COVID-19 vaccines could not be over-emphasized as the livelihood of the vulnerable was at stake. Korea had therefore contributed to the COVAX Advanced Market Commitment to support equitable vaccine access to everyone and remained committed to supporting that cause. Korea also shared the concerns raised by Colombia and other Members that the European Union's restrictive trade measures could disrupt the supply chains and the global distribution of COVID-19 vaccines and impact the current and future fair access to essential medicines. That was one of the reasons why Korea had supported the Trade and Health Initiative in document WT/GC/223. Korea would work with other Members in making concerted efforts to fight the pandemic and to ensure that essential medical supplies were accessible to all.

9.41. The representative of Indonesia said that, as the European Union was one of the critical sites for vaccine production, the EU measure concerning the global distribution of COVID-19 vaccines would significantly impact global equal access for the much needed vaccines. There was a limited supply of vaccines at the moment enabling unequal access among countries and making the COVAX Facility under deliver. The EU measure ran counter to the understanding that, during the COVID-19 pandemic, measures put forward by Members should be targeted, proportionate, transparent and temporary. Indonesia was not convinced that the EU measure was proportionate given the current global supply problem. The EU transparency and authorization mechanism for the export of COVID-19 vaccines would further disrupt global supply chains and the distribution of COVID-19 vaccines. Indonesia therefore extended its support to the call for the European Union to exercise restraint in the adoption and implementation of such mechanism.

9.42. The representative of Turkey said that the concerns of the co-sponsors on the European Union's transparency and authorization mechanism for the export of COVID-19 vaccines were highly comprehensible given the possible negative impact that could emanate from that regulation and the wide importance of global vaccination at the moment. Considering the cross-border nature of the pandemic and the way it had shown how interdependent the world had become, Members should act with responsibility. The pandemic was a global crisis requiring a global response, strong international solidarity and coordination. In its recent trade policy review, the European Union had made a commitment to fair and equitable access to critical supplies and had espoused that view in the Trade and Health Initiative which had called upon Members to exercise restraint in imposing export restriction on essential medical goods and vaccines. While the European Union was pioneering that principle in the organization, it was ironically contradicting its own discourse.

9.43. Apart from that general picture, Turkey also had specific concerns on the WTO-consistency of the regulation. Among others, both criteria for the authorization of exports and exemption from the regulation created many questions. Despite the explanation made by the European Union that day, the vague and non-transparent architecture of the regulation opened a wide room for arbitrariness and hindered predictability. Turkey was concerned that the mechanism could lead to an unfortunate domino effect in terms of vaccine nationalism along the COVID-19 supply chain which was clearly a move towards the wrong direction at a time when Members should act in coordination and solidarity. Turkey hoped that the European Union would review the mechanism before any unintended negative effects would arise on the global value chain and trading system during those unprecedented times.

9.44. The representative of Chinese Taipei noted that the COVID-19 pandemic remained serious and severe with multiple variants constantly emerging. Global supply of vaccines was running far behind demand. Chinese Taipei was pleased to hear that the European Union was the largest vaccine exporter and that India and South Africa had donated vaccines to some disadvantaged Members. The current distribution of vaccines was still unfortunately creating global inequality. While the global average of administered doses was about 4.6 million per day, many parts of the world including the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu were yet to start any vaccination programme. Chinese Taipei therefore urged all Members to exercise restraint from imposing explicit or implicit export restrictions on any vaccines while the pandemic remained serious. Addressing a global pandemic required consolidated global effort. Ensuring fair access in a speedy flow of the vaccines would surely be in the interest of all Members.

9.45. The representative of Australia said that it was Australia's longstanding position that COVID-19 vaccines were a global good and should not be subject to restrictive trade measures. Australia urged all Members to exercise restraint in the imposition of export restrictions on vaccines and on other essential medical goods and to ensure that any such measures were targeted, transparent, proportionate, temporary and as least trade restrictive as possible.

9.46. The representative of the United Kingdom noted that it was an important debate. All Members had an interest in supporting supply chains to enable businesses across the globe to get medical goods to those that needed them. Open trade in vaccines was also an essential precondition in ramping up global vaccine production to meet global demand. Consequently, trade restrictive barriers on vaccines were in nobody's interest. The United Kingdom looked forward to continuing cooperation with all Members on how they could together facilitate the production of and trade in vaccines and other medical goods needed to effectively tackle the pandemic and respond to the challenge that the Director-General had set out including by exploring the ideas set out by the European Union that day.

9.47. The representative of Jamaica, on behalf of the ACP, said that the COVID-19 pandemic was the most significant crisis of their lifetime. The unprecedented negative impact of the crisis on Members' health care systems, the health and welfare of their populations and the fall out in their economies required international cooperation, sympathy for the situation of Members with less financial capacity and, importantly, global efforts to bring about affordable access to vaccines, therapeutics and other items necessary to prevent, treat and contain the virus. Millions of lives had been lost. Millions of people had fallen critically ill due to the virus. Millions of people were currently without income to find food or take care of the basic needs of their loved ones. Several people had suffered depression and other mental illnesses. Shortages of drugs to treat the virus had put the lives of healthcare workers and other essential workers at risk.

9.48. Developing countries and LDCs were disproportionately impacted. They were less able to provide economic stimulus packages to keep industries afloat. Their MSMEs were greatly affected by inevitable lockdown measures. The few sectors such as tourism and commodities that dominated their economies were in decline. Fall-off in government revenue would set back their ability to underwrite pre-existing growth enhancing programmes impacting on developing countries and LDCs ability to achieve the SDGs. Vaccination was the most durable solution. As developing countries and LDCs, they should have equitable access to vaccines and other items required to prevent, treat and contain COVID-19. There was no place for vaccine nationalism in that crisis as no Member was spared of the impact of COVID-19 until all of them were able to contain its spread. The ACP therefore recognized the efforts of countries such as India and South Africa that had arranged delivery of vaccines to many developing countries and LDCs and urged others to join that type of partnership.

9.49. The ACP therefore expressed deep concerns over the implementation of measures that restricted export of vaccines, therapeutics and other items necessary to prevent, treat and contain the virus. The ACP called on Members to reverse such measures as they would diminish the ability of developing countries and LDCs to contain the virus thereby prolonging the pandemic. The ACP urged them to join international efforts to ensure that vaccines and other items necessary to prevent and treat the virus were affordable and accessible to all. The ACP further urged Members to consider the value of convening a dedicated Summit co-hosted with the WHO to address vaccine access as well as the export restrictions that frustrated critical and life-saving supply chains.

9.50. The representative of South Africa noted that COVID-19 was a global pandemic that knew no boundaries. A global problem required a global solution. The world could only defeat the pandemic through multilateral cooperation as no one was safe until everyone was safe. Vaccine nationalism was incredibly short-sighted. The more sustainable solution would be the sharing of technologies, know-how and data that would enable production of vaccines across the world and ensure timely, affordable and equitable access to vaccines and therapeutics for all. The TRIPS Waiver provided that and was the most viable policy instrument that would halt the rapid transmission of COVID-19, reduce the risks of variants and promote economic recovery. An effective response to the pandemic was only achievable when everyone everywhere could access the health technologies they needed for COVID-19 detection, prevention, treatment and not through hoarding of vaccines.

9.51. If they were to vaccinate citizens of only those countries that had bought up the majority of the supplies of the vaccine, it would mean the virus would continue to rage in other non-vaccinated countries. And the world had already seen just how quickly and efficiently the virus could mutate

when allowed to mutate unchecked through populations anywhere. While noting that Article XI of the GATT provided for export prohibitions or restrictions to be temporarily applied to prevent or relieve critical shortages of foodstuffs or other products essential to the exporting contracting party, Members should exercise that right with caution in the context of a pandemic.

9.52. It would be important to understand how the EU Implementing Regulation (2021/111) which contained provisions mandating information disclosure by COVID-19 vaccine producers that had Advanced Purchased Agreements (APA) with the European Commission as well as establishing an export authorization scheme was applied. The standard of authorizing exports of COVID-19 vaccine was laid out in Article 1(4) of the Commission Implementing Regulation. It stated that "the competent authority shall deliver an export authorization only where the volume of exports is not such that it poses a threat to the execution of Union APAs concluded with vaccines manufacturers."

9.53. It was important to understand what constituted a threat in that context. South Africa asked whether the volumes of exports above a given threshold constituted a threat and, if so, what that threshold was if indeed there was a single threshold. More generally, South Africa sought clarification on the manner and with what evidence such a threat would be assessed and on how the European Union would ensure that the export authorization was not arbitrary and that the COVID-19 vaccine export control regime was implemented on objective, transparent and proportionate grounds.

9.54. The representative of Peru said that the relevant EU measures gave rise to some concerns because of the implications that they could have on the production and distribution of vaccines. Those concerns had been expressed by Peru in various international fora. The measures taken on 5 February did not seem to be the most useful ones in addressing the supply problem given that the shortage of vaccines persisted around the world. Such types of measures took away attention from having a constant and coordinated dialogue in finding way to strengthen the global production system of vaccines and other essential products. In that regard, they could focus on granting licences to boost vaccine production in emerging markets and developing countries.

9.55. The representative of India highlighted that export restrictions were a dual use policy tool. During the pandemic, one country had used it to ensure equitable distribution of critical medicines, diagnostic kits, ventilators and PPEs to more than 150 countries based on mutually assessed needs. In the absence of that tool, supply could have been cornered by the rich and privileged lot with deep pockets as they were not working in a perfect market condition. India was further demonstrating that in its approach on the availability of vaccines on an equitable basis. One could however choose to do the opposite and use export restrictions as a tool to prevent cross-border shipment of vaccines from its territory. Export restrictions would continue to play their role as a policy tool but it would depend on how one would use them. India would like to understand how the export authorization and transparency mechanism was not another form of export restriction. India stood with countries in total solidarity during the crisis period and thanked CARICOM and the ACP for their words.

9.56. The representative of Colombia, on behalf of the five Members co-sponsoring the communication – Costa Rica, Ecuador, Panama, Paraguay and Colombia – welcomed the comments, explanations and demonstrations of support and thanked the European Union for the attention it had brought to that subject which was an important topic globally. The co-sponsors hoped that, in the near future, Members would be able to keep up constructive dialogue to promote global collective access to vaccines and strengthen the multilateral trading system based on rules.

9.57. The General Council took note of the statements.

10 INTRODUCTION OF A PAPER ON "LEGAL STATUS OF JOINT STATEMENT INITIATIVES AND THEIR NEGOTIATED OUTCOMES" – REQUEST FROM INDIA AND SOUTH AFRICA (WT/GC/W/819)

10.1. The Chairman recalled that the item was on the agenda at the request of the delegations of India and South Africa and related to the introduction of a paper on "Legal Status of Joint Statement Initiatives and their Negotiated Outcomes" together with the communication in WT/GC/W/819.

10.2. The representative of India recalled that India and South Africa had submitted the paper in document WT/GC/W/819 dated 19 February 2021 on the "The Legal Status of 'Joint Statement Initiatives' and their Negotiated Outcomes". As a co-sponsor, India was not questioning the right of

Members to meet and discuss any issue. However, when such discussions turned into negotiations and their outcomes were to be brought into the WTO, the fundamental rules of the WTO should be followed. The WTO had been established as a forum concerning multilateral trade relations in matters dealt with under the agreements in the Annexes to the Marrakesh Agreement and for further negotiations among its Members concerning their multilateral trade relations and to provide a framework for the implementation of results of such negotiations.

10.3. The Marrakesh Agreement defined "Plurilateral Agreements" as the agreements and associated legal instruments that were included in Annex 4 to the Agreement. The Ministerial Conference, upon the request of the Members party to a trade agreement, decided exclusively by consensus to add that agreement to the said Annex 4. Procedures for amending rules were enshrined in Article X of the Marrakesh Agreement. On the other hand, the GATT and GATS contained specific provisions for modifications of Schedules containing specific commitments of Members.

10.4. Amendments or additions to the rules were governed by multilateral consensus based decision-making or voting – right from the outset when a new proposal for an amendment was made. On the other hand, negotiations on modifications or improvements to Schedules could arise either as the outcomes of consensual multilateral negotiations pursuant to Article XXVIII of GATT or Article XXI of GATS or be reached through a bilateral request and offer process or as a result of a dispute. In fact, even changes to Schedules could not be made unilaterally as other Members had the right to protect the existing balance of rights and obligations.

10.5. The GATS read in concert with the Marrakesh Agreement provided for different rules and procedures for amendment of rules and modification of schedules. While the GATS rules were governed by the GATS Part II, "General Obligations and Disciplines", Part III of the GATS contained provisions concerning Members individual "Specific Commitments" pertaining to distinctly identified services sectors which were inscribed in Members' Schedules. In case of conflict in interpretation, Article XVI.3 of the Marrakesh Agreement provided that in the event of a conflict between a provision of the Marrakesh Agreement and a provision of any of the Multilateral Trade Agreements, the provisions of the Marrakesh Agreement should prevail.

10.6. Each of the JSIs was likely to pose different legal challenges to the existing WTO rules and mandates given the differences in the nature and scope of issues covered under each of those initiatives. However, any attempt to bring in the negotiated outcomes of the JSIs into the WTO by appending them to Members' Schedules, even on MFN basis, following modification of Schedules procedures, bypassing multilateral consensus would be contrary to the provisions of the Marrakesh Agreement.

10.7. Any attempt to introduce new rules, resulting from JSI negotiations, into the WTO without fulfilling the requirements of Articles IX and X of the Marrakesh Agreement would be detrimental to the functioning of the rules-based multilateral trading system. Among others, it would erode the integrity of the rules-based multilateral trading system, create a precedent for any group of Members to bring any issue into the WTO without the required mandate, bypass the collective oversight of Members for bringing in any new rules or amendments to existing rules in the WTO, usurp limited WTO resources available for multilateral negotiations, result in Members disregarding existing multilateral mandates arrived at through consensus in favour of matters without multilateral mandates, lead to the marginalization or exclusion of issues which were difficult but which remained critical for the multilateral trading system such as agriculture and development thereby undermining balance in agenda setting, negotiating processes and outcomes and fragment the multilateral trading system and undermine the multilateral character of the WTO.

10.8. The document listed various options to move ahead. As per the provisions of the Marrakesh Agreement, for bringing in their negotiated outcomes in the WTO, the JSI Members could seek consensus among the whole WTO Membership, followed by acceptance by the required proportion of Members according to Article X of the Marrakesh Agreement. Alternatively, they could get the new agreements included in Annex 4 following Article X.9 of the Marrakesh Agreement. They also had option to pursue agreements outside the WTO Framework, as had been envisaged in the Trade in Services Agreement (TISA) or as had been done in multiple bilateral or plurilateral FTAs or RTAs. The proponents of a "flexible multilateral trading system" could even seek amendment to Article X of the Marrakesh Agreement following procedures enshrined therein to provide for such an approach.

10.9. Through the paper WT/GC/W/819, India and South Africa reiterated that basic fundamental principles and rules of the rules-based multilateral trading system as enshrined in the Marrakesh Agreement should be followed by all Members including the participants of various JSIs. Negating the decisions of past Ministerial Conferences by decisions taken by a group of Ministers on the side-lines of a Ministerial Conference or the side-lines of any other event would be detrimental to the existence of the rules-based multilateral trading system under the WTO.

10.10. The representative of South Africa said that the WTO had been established as a forum concerning multilateral trade relations. South Africa's interest in submitting the paper was to remind Members of the legal architecture that governed the functioning of the WTO which was critical to preserve its multilateral character. The pandemic was a sharp reminder of the importance of global cooperation in dealing with global challenges. The challenges facing humanity were not limited to the pandemic but included rising inequality both within and between countries, poverty and food insecurity, among others. Those necessitated that Members avoided measures that undermined or fragmented the trading system.

10.11. Any group of Members could discuss any issue informally. However, when discussions turned into negotiations, and their outcomes were sought to be formalized into the WTO framework, it could only be done in accordance with the rules of procedure for amendments as well as decision-making as set out in the Marrakesh Agreement. The plurilaterals were provided for in the Marrakesh Agreement and were included in Annex 4 to the Agreement – and there were specific rules to be followed to integrate those into the WTO framework. It was however important to note that the Ministerial Conference, upon the request of the Members party to a trade agreement, decided exclusively by consensus to add that agreement to the said Annex 4.

10.12. The provisions in the Marrakesh Agreement had been carefully negotiated and were a result of the experience acquired in the GATT which had been characterized especially after the Tokyo Round by agreement on a number of plurilateral codes. There had been recognition that those plurilateral codes had created a fragmented system of rules. In respect of some Contracting Parties, the GATT rules had been applicable, while in respect of the rest, both the GATT rules and the rules of plurilateral codes had been applicable. That created considerable complexity in determining what obligations had been applicable in respect of which Contracting Party.

10.13. The Preamble to the Marrakesh Agreement clearly articulated Members' vision for the WTO and it was to develop an integrated, more viable and durable multilateral trading system. Article II.1 stated that "The WTO shall provide the common institutional framework for the conduct of trade relations among its Members." Article III.2 stated that "The WTO shall provide the forum for negotiations among its Members concerning their multilateral trade relations". It provided for consensus-based decision-making as enshrined in Articles III.2, IX, X and also X.9 as well as procedures for the amendments of rules as articulated in Article X.

10.14. The Marrakesh Agreement did not make provision for the so-called open plurilaterals and flexible multilateralism. Therefore, any suggestion that when offered on MFN basis, no consensus was required for bringing new rules into the WTO was legally inconsistent with the fundamental principles and procedures of the Marrakesh Agreement. Importantly, new rules could not be brought into the WTO through amendment of Members' Schedules. It had also been suggested that the Telecommunications Reference Paper justified why the consensus principle could be bypassed. However, as part of the package of the Uruguay Round outcome, there had been a multilateral consensus and a formal mandate for the negotiations, including agreement on inscribing outcomes into Schedules without an amendment procedure.

10.15. There were systemic and developmental implications inherent in plurilaterals especially if they attempted to subvert established rules and foundational principles of the Marrakesh Agreement. They risked eroding the integrity of the rules-based multilateral trading system, creating a precedent for any group of Members to bring any issue into the WTO without the required consensus, including disregard of existing multilateral mandates, marginalizing issues which were difficult but yet critical for the multilateral trading system such as agriculture and development thereby undermining balance in agenda setting, negotiating processes and outcomes, fragmenting the system and undermining the multilateral character of the WTO which Members had sought to resolve by creating the WTO following the GATT experience.

10.16. The legal framework of the WTO provided clear options for Members who were part of JSIs as outlined in the paper. South Africa was therefore calling on Members to respect the rules which continued to underpin the functioning of the WTO.

10.17. The representative of Vanuatu, on behalf of the Pacific Group, said that the Pacific Group was still studying the paper so its comments that day were still preliminary. The Pacific Group had seen the proliferation of Joint Statement Initiatives in the WTO which posed constraints for small countries that did not have the capacity to follow all those negotiations. In addition, the Group was unclear as to what were the rules of engagement in the JSIs and importantly, how the development dimension would be addressed. On the one hand, Members had fundamental issues contained in the Marrakesh Agreement and, on the other, the crucial trade issues that needed to be addressed. The paper by India and South Africa pointed to the need to clarify the relationship between JSIs and the multilateral rules. While appreciating some Members for wanting to proceed at a fast paced manner, Members should follow the different timeframes legally prescribed in the multilateral rules. The Pacific Group encouraged Members to engage in the discussions on the proposal.

10.18. The representative of Zimbabwe noted that the issue under discussion concerned the systemic implications that would result from an erosion of the sanctity of the decision-making procedures in the Marrakesh Agreement. As a founding Member, Zimbabwe attached great importance to the sanctity of the rules-based system as spelt out in the Marrakesh Agreement. A fundamental pillar of the WTO's success had been the adherence of Members to the letter and spirit of the WTO Agreements. Zimbabwe did not question the right of sovereign nations to discuss and agree on agreements defining their bilateral or plurilateral relations.

10.19. It was however concerning when plurilateral issues and interests were sought to be silently introduced into the WTO rulemaking system without going through the necessary procedural processes as outlined in Articles IX and X of the Marrakesh Agreement. The JSI discussions were not mandated under any WTO decision or Ministerial declaration and could not be construed in any way to de facto assume any validity or recognition by the Marrakesh Agreement. Zimbabwe would welcome responses and clarifications provided by JSI proponents and would engage in discussions on the issues raised in the paper. Zimbabwe continued to consult internally on the paper and the views expressed that day were without prejudice to its final national position.

10.20. The representative of Nepal shared preliminary observations on the paper as it was still being studied in its capital. The WTO was for safeguarding multilateralism and facilitating rules-based, predictable, transparent and inclusive trade with a view to raising living standards, reaching full employment, high real income and effective demand and expanding the production of and trade in goods and services. It had however been observed over the past few years that the WTO was making its efforts on some plurilateral initiatives with a view to concluding their negotiations as soon as possible. Despite the absence of any agreement and consensus among Members on their mandates, such plurilateral initiatives in the guise of Joint Statement Initiatives continued to take place. All proponents of those initiatives seemed to have tried to cover major emerging issues, challenges and opportunities in the global trade regime.

10.21. However, leaving a significant number of the Membership outside the JSIs could not be helpful in achieving the main objectives of the WTO. Volume of international trade and size of global GDP could not serve as sufficient evidence to ensure an inclusive and sustainable multilateral trading system. That essentially needed to integrate all Members regardless of the size of their population and economy. The number of Members outside the JSIs and the size of population they covered were in no way less important. While carrying out any negotiation in the multilateral trading system, it was equally important that Members made positive efforts to ensure that developing countries especially the least developed among had a just share of benefits from the growth of international trade. The successful conclusion of mandated negotiations such as fisheries subsidies, agriculture and S&DT, among others, would be more relevant among Members than focusing on the JSIs.

10.22. AB members should be appointed soon to bring the dispute settlement mechanism back on track and to enhance the WTO's functional credibility. Members should progress in WTO reform initiatives to ensure an inclusive and rules-based multilateral trading system and to safeguard multilateralism with a view to addressing global challenges including inequality by incorporating emerging issues and opportunities of global trade and supporting weaker economies to meaningfully integrate into the global trading system. It would be much more relevant to conclude the existing mandates and those to be agreed at MC12 to make all WTO matters multilateral, inclusive and just.

10.23. The representative of Cuba said that the document had been submitted to capital where it was currently being studied and would provide some general comments without prejudice to making further comments at a later time. Cuba had never objected to the right of any group of Members to informally discuss any topic. There was however no agreed multilateral mandate for the development within the WTO context of the JSI negotiations that were currently taking place. The procedures adopted by JSIs in Buenos Aires contravened the rules that were multilaterally agreed by all WTO Members. That was causing a precedent which could have an impact on the participants in those initiatives – challenging the consensus required to introduce new rules in the WTO.

10.24. The representative of Australia noted Members' commitment to improving the effectiveness of the WTO's rulemaking function. Australia was a participant in all the current JSI negotiations under way and strongly supported that important work at the WTO. Plurilateral initiatives were neither novel nor revolutionary in the multilateral trading system. They had always been a part of the WTO architecture had constituted the predominant form of rulemaking in the multilateral trading system for decades. WTO-consistent plurilateral trade agreements with wide participation played an important role in complementing global liberalization efforts. The current JSIs had the potential to deliver vital outcomes that strengthened the WTO's rulemaking function and its health more generally. More than 110 Members were participating in one or more of the current JSI negotiations – demonstrating the wide acknowledgement from across the Membership that that was a legitimate and useful form of rulemaking. They had and continued to be inclusive, open and transparent.

10.25. Australia did not agree with the legal analysis in India and South Africa's paper. For instance, the suggestion that Members could not improve their GATT or GATS Schedules without consensus agreement was not accurate. Members could always incorporate improvements to their Schedules whether unilaterally or as a group of Members. That was the legal architecture which participants had agreed to use in the services domestic regulation JSI. Australia had full confidence in the WTO consistency of that approach. In the case of the e-commerce JSI, its participants were still exploring the legal structure options they could best use to incorporate eventual outcomes into the WTO legal framework but were confident that those pathways could be found. Australia encouraged all Members to participate in or at least keep an open mind on those plurilateral discussions to pursue outcomes that modernized and enhanced WTO rules for the whole Membership.

10.26. The representative of Costa Rica was focused on ensuring that the WTO operated within the legal framework agreed by the Members. Costa Rica would reject any attempt to force Members to abide by new obligations without their consent. Costa Rica was a participant in the Joint Statement Initiatives on Electronic Commerce, Investment Facilitation for Development, MSMEs and Services Domestic Regulation. The reason for that was simple. Costa Rica was recognizing the need to adapt to the trade policy challenges of the 21st century. But that did not mean that any Member who chose to remain outside those discussions would be forced to adhere to any new obligations.

10.27. Costa Rica focused its remarks that day on the negotiations on services domestic regulation as that was the initiative that it had the pleasure of coordinating. Those negotiations and the outcome they would produce were firmly within the rules of the WTO. 59 proponents of services domestic regulation had established the initiative at the end of 2017 after they had to accept with great regret that no further progress had been possible in the Working Party on Domestic Regulation. Each and every proposal submitted had been rejected in its entirety by South Africa and other Members. Proponents of domestic regulation had no choice but to accept that position.

10.28. Since that time, work on the subject had so far advanced in the Joint Statement Initiative on Services Domestic Regulation. To the extent that participants considered it to be a viable prospect for an outcome to be delivered that year, Costa Rica clarified that the outcome would consist of a set of disciplines on licensing, qualification and standards which would bind only participating Members but would benefit services suppliers from all Members who traded with the participating Members which currently represented more than 70% of world services trade.

10.29. The outcome that was envisaged would be incorporated into participating Members' GATS schedules of specific commitments. In substance, it covered precisely those types of measures that were listed in the GATS as areas for additional commitments, namely, qualification standards and licensing matters. That was important because the paper introduced by India and South Africa suggested that the disciplines developed by the initiative constituted some form of not further specified rules which did not fit under the architecture of services schedules. That was quite untrue. Rather, the disciplines constituted improvements of participating Members' existing commitments.

10.30. Participating Members would give legal effect to the outcome by inscribing the disciplines as additional commitments in the respective GATS schedules. That would not be done by seeking to add a new agreement to the WTO architecture but by applying well established multilateral WTO procedures to improve Members' schedules of specific commitments. Concerns about the work of the JSI had been raised already at the end of 2019. At that time, India had argued that some of the disciplines could be of a GATS minus nature and the GATS Article VI.4 mandate could be affected by the work of the initiative. As the Coordinator of the initiative, Costa Rica had had the pleasure of discussing those concerns with India in more detail and to report back to the group. While participants in the initiative did not agree that the disciplines in question could be understood to undercut existing GATS obligations, they agreed wholeheartedly with India that the disciplines should not be understood to weaken any provision contained in the GATS.

10.31. Indeed, participants had recently incorporated in the negotiating text language expressing clearly that the disciplines should not be constructed to diminish any obligations under the GATS. The GATS Article VI.4 mandate to develop any necessary domestic regulation disciplines was not, would not and could not be affected by the fact that Members participating in the JSI would undertake additional commitments on domestic regulation. Costa Rica was therefore disappointed to see that India currently appeared to question the right of any WTO Member to improve its services commitments. The JSI on Services Domestic Regulation remained open and transparent and all Members were welcome to join the meetings and to constructively engage ensuring that the outcome benefited service suppliers across the world and included as many Members as possible.

10.32. The representative of Chinese Taipei noted that the plurilateral approach had contributed to global trade in the past. The ITA was an example. Certain limited use of the plurilateral approach could support and supplement the multilateral trading system by facilitating international trade. The discussions under JSIs had given the WTO new momentum which was necessary and healthy for the multilateral system. It was an unavoidable trend that more and more trade issues were emerging that urgently needed Members to establish new disciplines for them. It was highly important to update WTO rules and to make the WTO a living organization and not be left behind by the world.

10.33. Through Joint Statement Initiatives, Members had developed a creative way to address the trend so that the WTO's legislative function could be improved for it to maintain its relevancy given new developments in the world – with Members still maintaining the flexibility not to opt in. Chinese Taipei called on Members to jointly think about how plurilateral agreements could be integrated into the multilateral trading system while considering Members' needs for their respective development stages and maintaining the existing rights and obligations of non-participating Members.

10.34. The representative of Colombia believed that that was an important discussion for the future of the organization as those initiatives covered the interests of many Members to move forward on crucial issues in global trade relations. Colombia appreciated the interest the Director-General had expressed on JSIs. That was a necessary step for the strengthening of the WTO. Colombia was happy to see how the path that had begun with previous processes such as the ITA was currently joined by many Members who were involved in the JSIs – an important space to resolve pending priorities.

10.35. Such perspective had led Colombia to actively and formally participate in the JSIs on e-commerce, investment facilitation for development, services domestic regulation, MSMEs and trade and gender. Colombia also expressed its interest in other nascent initiatives which would likewise have an important impact on the WTO's future as a driver of development for Members. With regard to the document being reviewed that day, Colombia did not share the legal analysis that the paper had set out but remained ready to continue that discussion in the appropriate forum. Colombia reiterated its commitment to the JSIs and its support for any work that could be done in that area.

10.36. The representative of Mexico said that JSIs provided an excellent opportunity to furnish the WTO with tools that would allow it to face the current challenges in global trade. Members were in a situation where some of them believed that they were still not in a position to fully integrate themselves into the work under way. The JSI participants had never foreclosed the possibility for more Members to join those initiatives when they deemed it appropriate to do so nor did those initiatives diminish the rights and obligations of non-participating Members. Rather, the JSIs offered a possibility to move forward and help the WTO become more relevant by promoting trade as a vehicle for development. Mexico had been a strong proponent of the JSIs as the work had taken place openly, inclusively and transparently with voluntary participation at its core.

10.37. The representative of the Russian Federation found the paper by India and South Africa upsetting. There was no doubt that Members should respect the right of any of them to express its attitude towards current developments within the multilateral legal system and to point out issues which it could see as contradictory to the system's rules. The paper was however not about that but dealt with the issue of whether the WTO should move forward and regain its relevancy amid the changing global economic environment or should it be further bogged down by disagreements among Members and lack of consensus eventually turning into an archaic and useless institution.

10.38. The multilateral outcomes at MC11 had clearly been quite poor. The decision to promote and accelerate fisheries subsidies negotiations – the only multilateral and negotiation-related result achieved in Buenos Aires – was evidently not enough to chart a way forward for the WTO. The JSIs in which Russia was proud to participate in had been considered globally as a signal of Members' ability and readiness to explore possible formats to move ahead. The progress achieved in all JSIs since then demonstrated the effectiveness of that approach. For example, the JSI on Services Domestic Regulation was an attempt to deliver on a long standing commitment of all Members to develop the respective disciplines as set out in GATS Article VI.4.

10.39. As for the incorporation of new plurilateral initiatives into the WTO Agreements, Russia agreed with suggestion of India and South Africa that it should be done in accordance with the relevant provisions of the Marrakesh Agreement. However, the final goal of the JSIs was not to create a set of isolated rules among like-minded Members but rather to update the multilateral legal system as a whole. That was why the JSIs remained open to all Members at any stage.

10.40. The most disappointing fact about the submission was that while attacking JSIs, it did not provide any way forward essentially keeping the WTO to languish in the current limbo. No Member had taken the position to leave behind the core WTO mandated issues like agriculture or "horizontal" S&DT. However, if the needs of the businesses and the people worldwide including in developing countries required Members to agree on adequate and up-to-date rules on other important issues, they had no right to keep those requests as hostages of their inability to reach progress on all fronts.

10.41. The representative of Japan appreciated the Joint Statement Initiatives as an essential framework to allow the WTO to address in a flexible and realistic manner the changing global economic needs of the 21st century. The JSIs responded to calls from a broad range of stakeholders by discussing key economic issues and would contribute to updating the WTO rulebook and to ensuring the relevance of the WTO in today's world. Without the JSIs, the WTO risked becoming less relevant and even losing its *raison d'être* as a cornerstone of the multilateral trading system. The JSI meetings were organized in an open, transparent and inclusive manner.

10.42. While taking into account the convenience of respective Members including the size of their delegations in organizing the process, the fact that many of them were participating in the JSIs and actively engaging in negotiations in a creative and innovative way clearly showed the JSI's importance. A number of achievements made in the GATT and the WTO had initially been taken up or discussed in plurilateral initiatives which were later merged in the system. Japan believed that the JSIs were consistent with the WTO and had high hopes that they would be a key part of the MC12 outcomes. Japan would continue to work with other Members to deliver substantial outcomes in the JSIs as a positive achievement of the WTO.

10.43. The representative of the Republic of Korea, as a staunch supporter of the multilateral trading system, was disappointed to see the WTO in limbo in particular its failure to function as a forum for multilateral trade negotiations in response to the diverse needs and interests of Members. Upon such impasse and trade liberalization shifting weight to regional agreements outside the WTO, plurilateral negotiations could be a meaningful stepping-stone for multilateral agreement. It also served as a test pad for pioneering new trade rules as demonstrated by the GPA and the ITA. The JSIs which were held parallel with multilateral negotiations were essential to maintain the WTO's relevance in the changing trade environment. Those negotiations were responsive to the demands of diverse stakeholders which would help rebuild trust in the multilateral trading system. Korea therefore expressed its concern on the communication submitted by India and South Africa which raised questions on the concerted endeavours for revitalizing the WTO's negotiating function.

10.44. The representative of the United States believed that plurilateral negotiations at the WTO could be a useful means to advance issues of interest to Members and to keep the WTO relevant. It

did not view plurilateral negotiations and outcomes as undermining multilateral ones. In fact, plurilateral initiatives could foster new ideas and approaches and build momentum toward multilateral outcomes. The various rigid positions expressed in the paper would seem to foreclose Members' ability to pursue creative and flexible approaches at the WTO to the challenges of today and tomorrow.

10.45. The representative of Chile noted that the paper had opened up an interesting discussion which should take place in a forum other than the General Council. Considering Joint Statement Initiatives separately could be a way to incorporate them into the WTO. While it was still assessing the legal considerations raised in the document, Chile noted that the paper had made assertions which could not be based on reality. JSIs tackled topics that were fundamental for 21st century global trade in an open, inclusive and constructive manner. Chile welcomed the possibility of achieving multilateral discussions on those areas as that would benefit every Member. That was why Chile, a Member committed to multilateralism, was actively participating in the JSIs on services domestic regulation, investment facilitation for development and e-commerce.

10.46. As Chile respected the decision of those Members who decided not to join JSIs, those Members should also respect the decision of others who wished to move those discussions forward since the rights of non-participating Members would be in no way diminished. Chile was looking for a pragmatic, respectful and necessary way forward to break the stagnation of the WTO negotiating function and Members should begin to reflect on how to create a swifter way to allow agreements negotiated in that format to integrate into the organization.

10.47. With regard to the JSI on Investment Facilitation for Development and as its Coordinator, Chile invited India, South Africa and those Members who had not yet done so to participate in the JSI discussions. That would allow the JSI participants to learn more about their opinions, interests and perspectives including on the elements reflected on their paper and to effectively address them. That would also facilitate the entire Membership in achieving consensus multilaterally on the matter which could in turn contribute to the effective management of global trade flows particularly in the post COVID-19 period.

10.48. The representative of the Philippines was a willing and active participant in most JSIs. The JSIs were positive contributions to the multilateral trading system even if their pursuit and their eventual implementation were not shared universally by the Membership. For the Philippines and many other Members, the JSIs served to deepen trade relations among them and to clarify rules that bound them more strongly. More importantly, they responded to the policy exigencies of modern-day global trade. The provisions of the Marrakesh Agreement were indeed clear and undisputable. The Philippines believed that no one questioned Article X of the Marrakesh Agreement.

10.49. The Philippines had not foreseen however when it had signed on to that treaty in 1994 that efforts that day to cope with and keep abreast of modern-day realities in global trade could easily be frustrated by the refusal of a minority to move forward towards a deeper and clearer basis for their trade relations. Perhaps, it was also not fair to expect the larger majority of Members to stay still because a few others preferred to do so. The Philippines understood plainly the institutional and legal hurdles WT/GC/W/819 tossed on the path of the JSIs and asked India and South Africa to at least collaborate with JSI participants to find an institutional and legal way to allow the JSI outcomes to thrive and benefit all Members.

10.50. The representative of Turkey said that, in the negotiating history of WTO rules, every single word of the agreement had been achieved through intense discussions and with earnest efforts of the Contracting Parties. Since 1947, the negotiations around various topics had evolved differently under diverse configurations. Progressive dismantling of obstacles in trade in goods and services was a difficult task and that progress could only be ensured incrementally. In achieving that, multilateral platforms were ideal while in some occasions, additional instruments and different configuration could also be needed to foster and reinforce negotiations among Members. Discussions under JSIs contributed to the WTO's main objective as long as they continued to maintain their transparent and inclusive character and adhere to the fundamental principles of the WTO. Through those instruments, Members could craft new ways for ensuring additional benefits for international trade in goods and services. The rules in the organization could be more up to date. Members could also have further discussions on how those agreements could be integrated into WTO acquis.

10.51. The representative of Bangladesh noted that the questions and concerns raised in the communication were important – demanding deeper discussions which should involve all Members. Bangladesh said that its capital was still examining the paper and looked forward to engage constructively with Members on the matter.

10.52. The representative of Uruguay said that his country was fully committed to the multilateral trading system and its rules going as far back as the Havana Conference. Uruguay expressed its trust that the rules would prevail. Otherwise, Uruguay would not be in the WTO and committed to its rules. Uruguay fully trusted in the WTO's ongoing ability to remain faithful to its international mandate. The best gift delegates could give the new Director-General would be to give up their petty in-fighting that had already gone far too long. Members should instead firmly commit with good will to the ongoing discussions that took into account the real needs of today's global economy without losing sight of the commitment to ongoing pending discussions which were of utmost importance to all Members particularly those that were small and developing such as Uruguay.

10.53. As the convenor of an open and inclusive JSI – the Informal Working Group on MSMEs, Uruguay noted that the Informal Working Group did not craft rules but made recommendations and suggestions. Despite continuing their discussions virtually, it had still been extremely difficult for the JSI participants to achieve the outcome of the package of recommendations they had agreed in the Informal Working Group in December – the only negotiated result that the WTO had achieved in 2020. Clearly, the WTO needed reform. But equally important, it required a change in attitude of all Members. Absent that, Members would be doing the multilateral trading system a great disservice.

10.54. The representative of Pakistan welcomed the paper which raised pertinent questions on an element of fundamental nature for the WTO. Notwithstanding the content or topic in any of the JSIs, they posed a serious challenge to the consensus-based decision-making principle of the multilateral system. While some Members wished to advance certain discussions, that did not take away the desire of a large number of Members to focus on mandated issues or consider some of the subjects taken up in JSIs as premature for negotiations.

10.55. While JSI participants noted their transparent and inclusive manner of conducting discussions, Members' initial understanding had been that JSIs were merely exploratory in nature. The JSIs had however eventually developed into fully fledged negotiations on potential agreements that could cut across existing rights and obligations of Members that were not part of the JSIs. True inclusivity would have demanded that it be manifested before launching the JSIs. Pakistan saw those questions as pertinent and looked forward to discussing that aspect particularly with reference to upholding the fundamental pillars of the system.

10.56. The representative of Brazil noted that a number of points raised in the paper were not new and had been addressed elsewhere. For example, with respect to the Joint Statement Initiative on Services Domestic Regulation, it had been noted that the mandate contained in GATS Article VI:4 was not affected by the fact that a subset of the WTO Membership undertook additional commitments in accordance with GATS Article XVIII. Participants of that initiative had made it clear that they would give legal effect to the disciplines on domestic regulation by incorporating them in their respective GATS Schedules so that they would be applied on a most-favoured nation basis.

10.57. Nothing in the WTO agreements prevented a group of Members willing to improve their commitments from doing so either individually or collectively. A revision of the WTO architecture should be part of any WTO reform package. Members should be able to do more than just improving commitments in their Schedules. If that was not done, the world would not stop and wait for the conclusion of multilateral agreements in the WTO. New rules for international trade were already badly needed, and if they were not crafted there, they would be agreed elsewhere. Members needed to find a better way of incorporating the results of plurilateral negotiations into the WTO framework.

10.58. The representative of Canada did not agree with the argumentation presented in the paper. However, irrespective of whether one or not agreed in any of its details, to ensure that the WTO remained effective, Members should be prepared to address important trade related issues in a number of areas. Creating new or modified trade rules was more than overdue. In some cases, Members could proceed multilaterally. For others, the JSI model was the best avenue for interested Members to pursue common objectives. The JSI negotiations were inclusive, transparent and open to all Members. Canada welcomed the progress made so far in those negotiations and noted the

increase in participation by developing Members. It was premature to pre-judge the legal architecture for any of the JSIs as each initiative was unique and was evolving at its own pace. The true test of any outcome, be it plurilateral or multilateral was whether it promoted development and sustainable growth and secured an increase in the predictability in the global trading environment.

10.59. The representative of the European Union said that plurilateral agreements had been a driving force under the GATT and beyond and had paved the way for many multilateral agreements that were an integral part of the WTO Agreement. They were not antithetical to multilateralism. They paved the way towards it. Beyond those agreements, the WTO's negotiating arm had not been able to deliver many of the significant improvements in the multilateral trade rulebook that were needed to respond to important trade issues. It was clear that modernizing WTO rules could not be achieved only through multilateral agreements based on single undertaking. It was therefore vital for the WTO's relevance and credibility to maintain the option of developing rules that corresponded to the economic and trade realities of the 21st century through plurilateral agreements.

10.60. A very large number of Members were involved in plurilateral negotiations under the JSIs on services domestic regulation, e-commerce and investment facilitation for development. JSIs brought many benefits and were essential to make global trade rules responsive to the digital transformation of economies, the growing importance of services and the need to facilitate investment which was key for development. If no effective formula was found to integrate plurilaterals in the WTO, there would be no other option than developing such rules outside the WTO framework which would increase fragmentation and risk to eventually condemn the WTO to irrelevance.

10.61. Meaningful WTO reform should recognize that reality. As indicated in the European Union's recently published Trade Policy Review, the European Union favoured an inclusive approach to open, plurilateral agreements that facilitated participation by developing countries and allowed them to decide whether they would wish to join the agreement, leaving the door open for them to join at a later date. There were various ways in which plurilaterals could be incorporated in the WTO. Some were included already in the WTO Agreement such as in the GATS that provided that Members could inscribe additional commitments in their Schedules which was the legal architecture that the participants in the JSI on Services Domestic Regulation had chosen.

10.62. Nobody could doubt the benefits from various types of plurilaterals such as the GPA or the ITA. What mattered was not their legal form but that they brought undeniable benefits. Legal form should be a secondary consideration. The focus should be on how the organization could remain relevant by developing rules that addressed pressing issues. The European Union was in favour of having further discussions on that with Members and called on them to adopt a constructive approach and make positive contributions to that discussion.

10.63. The representative of Sri Lanka noted that although JSIs had been in existence since December 2017, they did not have any locus standi in the multilateral trading system. While any group of Members could come together to discuss any issue informally, the discussions under JSIs did not provide them any recognition or legal standing in the WTO. Those discussions had turned into negotiations and outcomes were sought to be formalized into the Marrakesh Agreement Establishing the WTO and its Annexes. A careful examination of the WTO's rules was required. Any formalization of outcomes could only be done in accordance with existing WTO rules – particularly those rules on amendments and on decision-making as set out in the Marrakesh Agreement.

10.64. Sri Lanka thanked India and South Africa for the paper and supported the flagging of Members' attention to the important legal aspects that warranted close and careful analysis by all Members. The paper indicated the systematic implications on the multilateral trading system and on Members who had not joined JSIs. The paper deserved to be further discussed to better understand the issues raised therein and arrive at ways to minimize possible legal and systemic conflicts for upholding the fundamental principles in the WTO Agreements. The JSI proponents should address those concerns through active engagement if they were serious and genuine of their intentions. Sri Lanka was studying the paper as it explored the possibility of co-sponsoring it in the future.

10.65. The representative of Tanzania said that the paper provided a timely reminder for Members to abide to the agreed WTO rules, principles and procedures as a multilateral organization. The JSIs were a result of lack of consensus on respective issues for which likeminded Members had decided to pursue certain issues of their interest in coalition outside the WTO framework. Outcomes achieved

from JSIs would not be multilateral as their negotiations had been initiated while Members were still in disagreement. Members such as Tanzania were not participating and would not be obliged to implement agreements which had never been part of the multilateral negotiations. Tanzania had previously expressed that the areas covered by JSIs had serious implications to its existing policy space for development. Tanzania would not however object to certain JSIs being brought under Article X.9 of the Marrakesh Agreement for consideration to include them into Annex 4 of the Marrakesh Agreement as Plurilateral Agreements.

10.66. The representative of the United Kingdom did not share the view that the work of the JSIs was inconsistent with the rights and obligations of Members or the appropriate functions of the WTO. JSI discussions had brought much-needed energy and dynamism to the WTO enabling a significant proportion of the Membership to make vital progress on areas where new rules and commitments were urgently needed to update the global trading system. The JSIs were some of the most important reforms undertaken at the WTO. The United Kingdom would encourage participants of the JSIs to continue attracting wider interest and participation from across the Membership. That would ensure those negotiations were as inclusive as possible, would pave the way for them to be adopted multilaterally in the future and would allow the WTO to remain relevant.

10.67. The representative of Hong Kong, China was a strong supporter and active participant in the JSIs on e-commerce, services domestic regulation and investment facilitation for development. Hong Kong, China shared the common goal to modernize and strengthen the multilateral trading system on issues of increasing relevance to the global trading system. The need for more transparent and predictable trade rules was particularly pressing in light of the COVID-19 pandemic. Work in the JSIs was contributing to reinvigorating the efforts of the WTO in making new rules that responded to the aspirations of consumers and business communities across the globe.

10.68. The JSIs would build upon the extensive work of existing WTO bodies and programmes such as the Working Party on Domestic Regulation and the Work Programme on Electronic Commerce without affecting their multilateral mandates or ongoing work. Without prejudging the respective legal formats of the outcome in the JSIs which were still under discussion, JSI participants acknowledged that the outcome should be incorporated into the WTO framework in accordance with WTO rules and procedures. As the common goal of the JSIs was to deliver multilateral outcome with participation of as many Members as possible, participants were committed to keeping their work Member-driven, transparent, inclusive and open to all WTO Members.

10.69. Participants were also providing constructive inputs to ensure that the development angle was central in the JSI discussions with a view to facilitating the participation of Members at different levels of development through technical assistance, capacity building and transitional arrangements. Hong Kong, China encouraged more Members to join the JSI meeting which were open to all of them and looked forward to engaging with them constructively.

10.70. The representative of Norway noted that Norway was one of the founding Members of the multilateral rules-based trading system. Since 1947, the world had gone through tremendous changes including the global trading regime both in terms of scope, commitments and participation. Plurilateral approaches and initiatives had been part of the development of both the GATT and the WTO. The world still needed a global, rules-based trading system. But in the same way as the world changed, so should the rulebook. Norway welcomed the energy that the JSIs had injected into the WTO with Members who believed in the future of the system joined by a large number of Members – developed and developing, small and large – and those that believed that the system needed to develop to stay relevant and that an updated framework of rules was beneficial for social and economic development for all.

10.71. The representative of Switzerland said that the content of the paper had left it somewhat perplexed. JSIs were appropriate instruments for developing the trading system and strengthening the WTO's negotiating function, and enabling the organization to address the challenges posed by the modern-day economy. They constituted an effective and relevant approach that was not new and that most certainly did not undermine the multilateral approach nor did they affect the rights and obligations of Members not participating in them. Those initiatives were transparent, open to all Members and consistent with the spirit of multilateralism.

10.72. The representative of Singapore noted that the JSIs were in line and in sync with the workings of the WTO. Members had started discussing JSIs around 2017 after prolonged periods of languishing talks with no prospect of attaining consensus from the full Membership. JSIs encouraged the participation of all Members with the aim of obtaining a multilateral outcome and were operating legitimately within the WTO as open plurilaterals. They were conducted in an inclusive and transparent manner and the relevant materials were made available to all Members.

10.73. Legal architecture was a topic which was still premature across most of the JSIs. It was prudent to determine the substance of the agreements before considering the legal modalities. It was heartening that Members had engaged in a constructive, technical discussion across all JSIs in the last couple of years. While they had differences, that had not stopped them from having fruitful conversations. Singapore frankly struggled to understand the paper's motive. The JSI outcomes were critical to maintaining the WTO's relevance. There was significant interest in the JSIs from key stakeholders which was evident from the considerable support that the business community extended to them. Contrary to some claims in the paper, the JSIs supported WTO multilateral values.

10.74. In times of crisis, JSIs represented bright spots that had brought together a vast majority of Members determined to work towards meaningful and relevant outcomes that addressed new and emerging issues. That was a tangible demonstration that the WTO remained relevant, useful and meaningful to their stakeholders and could deliver results. The WTO stood at a crossroad that day. Dr. Ngozi's appointment had injected renewed optimism and her support for the JSIs had been encouraging. Members were well placed to deliver outcomes at MC12. As responsible Members, they had to decide if they wanted to have aetiological and historical debates that divided them or if they genuinely wanted to bridge their differences and work together to strengthen the WTO.

10.75. The representative of Israel said that it was an important paper which required further analysis and discussion. Israel had always been a strong supporter of the multilateral trading system. As an open and relatively small economy, Israel strived to further develop its international trade and economic collaboration with countries around the world based on the multilateral trading system and WTO rules. Israel recognized the importance of supporting a well-functioning WTO including taking up negotiations within its old framework. However, in recent years, Members had not achieved negotiated outcomes, apart from a few, expected by the ever-changing global trade landscape.

10.76. The plurilateral route had been able to partially fill in some of the gaps and complement them. Plurilateral agreements and JSIs should not replace multilateral negotiations and Israel preferred the latter. At the same time, they presented a complementary route that could deliver tangible results in new areas. Like many others, Israel had benefitted from those plurilateral negotiations and agreements such as the ITA I, ITA II and the revised GPA. Currently, Israel actively participated in JSIs on e-commerce and on services domestic regulation.

10.77. Israel would continue to participate in all multilateral trade negotiations and similarly in plurilateral negotiations in which it had specific trade interest. Both routes were viable and complementary of the rulemaking function of the WTO. It is worth noting that plurilateral agreements as stated in Article II:3 of the Marrakesh Agreement were binding on those Members who had chosen to accept them and did not create obligations for Members who had not accepted them. Israel encouraged Members to recognize those initiatives as bottom up attempts to reinvigorate the multilateral trading system. Israel looked forward to continuing that important discussion.

10.78. The representative of Peru noted that the paper allowed Members to generally reflect on the value of creativity and capability of JSIs in enriching the multilateral trading system while taking due consideration of the WTO's legal framework. JSIs had facilitated progress on important matters of international trade required and called for by stakeholders. Peru currently participated in the JSIs on e-commerce, MSMEs, services domestic regulation and trade and gender. Each JSI would continue to develop in such a way as to ensure its legal relevance in line with Members' commitments within the organization. Members would tackle that issue with creativity and energy seeking to strengthen the multilateral trading system to progress on the path towards development which was all the more necessary during that extreme situation caused by the COVID-19 pandemic.

10.79. The representative of Indonesia said that the discussion on the legal status of JSIs and their negotiated outcomes was both timely and important. While Indonesia participated in two JSIs, it put forward the same question upon joining those initiatives. On the Structured Discussions on

Investment Facilitation for Development, Indonesia sought information on what steps would be taken by the convenor to integrate the outcome to the WTO knowing that there was no WTO mandate on that initiative yet. Indonesia was looking forward to such discussions and would like to understand better how the Coordinators of each of the initiatives would try to integrate the JSIs into the WTO rules. The motive to pursue an ambitious agenda on several trade-related areas through the WTO should respect and be in line with the fundamental principles set out in WTO rules.

10.80. The representative of Oman shared some systemic concerns highlighted by the paper. Oman was concerned that by allowing Members to introduce any issue they wished in the WTO under the umbrella of the JSI, it would open doors to some controversial issues. Most Members had not challenged the legal arguments presented by India and South Africa. The paper needed further discussion. While its capital was still studying the paper, Oman hoped to come back with more specific comments in the near future.

10.81. The representative of the Kingdom of Saudi Arabia noted that the request was valuable and merited further discussion both in Geneva and in capitals. At the same time, Saudi Arabia was an active participant in JSIs and believed in both plurilateralism and multilateralism. Both were in the hands of Members to help them enhance the negotiations and to move forward with a view to facilitating the organization to regain the trust of the entire world. Such a submission was valuable but Members should also tackle it carefully by entering into more discussions on the matter preferably in informal mode – which would be more practical.

10.82. The representative of Cameroon had forwarded the paper to its capital. Without prejudice to its right to provide future comments, Cameroon believed that the paper was an invitation for Members to bridge the gap on the issue and see how they could reach an agreeable platform on all the topics under discussion. Cameroon was following the discussions on the JSI on E-Commerce. JSI processes could lead to consensual outcomes by recognizing the need for a collective approach to the issues raised by the proponents and by the way JSIs would carry those discussions forward based on consensus. Cameroon had taken note of the paper to be transmitted to its capital. As they entered a new era, it was time for them to find ways to best address that issue within the WTO.

10.83. The representative of Nigeria was fully committed to the multilateral trading system. At the same time, Nigeria participated in three JSIs including on MSMEs and on trade and gender given their importance especially in the 21st century. The legal opinion of a Member or group of Members on the scope and application of the provisions of the Marrakesh Agreement and other WTO agreements could not always be accurate. It was within the sovereign right of each Member to determine and pursue their respective development interests especially in plurilaterals which would lead to multilateral outcomes by consensus. Nigeria was confident that final outcomes on the respective JSIs would take into account some development priorities and avail as the requisite tool to unlock their economic potential. Nigeria was likewise open to further discuss the paper with the proponents to deepen its understanding on the specific elements.

10.84. The representative of India thanked Members for their engagement on that agenda item. It was sad that those who had objected to moving forward on mandated issues were currently complaining of the WTO being in a limbo. India understood that JSI proponents would need time to respond and reflect on the legal issues raised in the paper. India had not heard much on legal arguments in various statements except for phrase "we do not agree". There was a difference in improvement and changes. In the name of improvement, changes could not be made. As far as the JSI on Services Domestic Regulation was concerned, India was still awaiting responses from the proponents of that JSI on the concerns raised in the Working Party on Domestic Regulation. If numbers were the only way to show acceptance, then Members should have already agreed on the G-90 proposal on S&DT, on the TRIPS Waiver proposal with 57 co-sponsors, and on many other proposals. The negotiating function was important as it brought new rights and obligations. But without the dispute settlement system, even existing negotiated outcomes would lose their purpose.

10.85. The representative of South Africa welcomed Members' engagement on that important issue and thanked those who said that the discussion was timely and important. Some of the issues in the JSI were issues where there was already a multilateral mandate. Members had seen how the Work Programme on Electronic Commerce that aimed to ensure balanced and equitable outcomes had suffered with the launch of the JSI. The developmental concerns and the principles that underpinned the WTO were increasingly ignored. South Africa differed with the view that new rules could be integrated through Members' Schedules. Modification or improvements to Schedules of Concessions

on the other hand followed certification procedures. Therefore, there was a difference between changes to rules and changes to Schedules. South Africa reiterated that it did not question the right for any group of Members to discuss any issue informally. However, when discussions turned into negotiations and their outcomes were sought to be formalized into the WTO framework, it could only be done in accordance with the rules of procedure for amendments as well as decision-making as set out in the Marrakesh Agreement. Members should carefully consider the legal arguments in the paper including the options raised. It was not about the number of Members that participated in a specific initiative but its paper was about the legal provisions that underpinned the functioning of the WTO that should be respected. South Africa looked forward to engage further with Members on the legal aspects related to how negotiated outcomes were integrated into the WTO framework in view of the provisions of the WTO legal framework.

10.86. The General Council took note of the statements.

11 TRADE AND HEALTH: COVID-19 AND BEYOND – UPDATE FROM CANADA ON BEHALF OF THE CO-SPONSORS OF WT/GC/223

11.1. The Chairman recalled that the item was included in the agenda by the co-sponsors of document WT/GC/223.

11.2. The representative of Canada said that Members saw that the COVID-19 pandemic continued to affect their citizens and their economies. Members needed to ensure that trade-related measures taken by them were proportional, appropriate, temporal, targeted, transparent and consistent with WTO obligations. The objective of the Trade and Health Initiative was to create the conditions for a more stable and predictable trade environment and to facilitate Members' ability to work together to mitigate the impact of that and future pandemics. Since December, Ottawa Group members had transformed their ideas into a draft declaration that responded to current and future pandemics and related challenges in international trade. It had been circulated on 18 February as JOB/GC/251.

11.3. They had also begun extensive outreach to Members in order to garner further support for the draft declaration and would continue to do so in the weeks ahead. Their goal was to bring about further support by ensuring a clear understanding of their motivation for that declaration and the intentions behind all of its provisions. They hoped to be able to formally circulate the draft declaration with new co-sponsors joining them in that work as soon as possible. They would then continue to reach out to Members who had questions and work to have them also join. The initiative would help Members prepare for a successful outcome at MC12 on trade and health related issues.

11.4. The representative of the Central African Republic noted that, since the beginning of the COVID-19 health crisis, African countries had been confronted with and continued to face export restrictions, shortages in the health and food sectors and a significant disruption in supply chains. Unfortunately, the considerable progress made against HIV/AIDS and malaria was also being undermined and could result in hundreds of thousands of additional deaths from those diseases. This situation had been exacerbated by the fact that very few African countries were able to produce vital equipment and protective material or even manufacture generic medicines, diagnostic tools, future treatments and vaccines. The Central African Republic therefore welcomed all the proposed measures to limit, or even bring an end to the supply chain disruptions.

11.5. The Central African Republic drew attention to the ineffectiveness of those measures as they would not put a stop to the export restrictions on COVID-19 vaccines and PPEs imposed by certain Members as noted by Colombia, Costa Rica, Ecuador, Panama and Paraguay in their communication. Nonetheless, the Central African Republic called for the effective implementation of the C-TAP project with a view to facilitating the transfer of technology and knowhow and the implementation of the Agreement on Trade Facilitation so that African countries could build their resilience against COVID-19 and future health crises and ensure seamless trade. That exceptional crisis required global solidarity to ensure timely, equitable and affordable access to vaccines, therapeutics and diagnostic tools. In that regard, the TRIPS Waiver Proposal and the operationalization of C-TAP were essential.

11.6. The representative of Bangladesh said that public health emergency was a priority anywhere in the world. The fight against the ongoing pandemic was a collective one which primarily required ensuring easy and affordable access to essential medical and pharmaceutical products to fight COVID-19. That should be guaranteed to everyone everywhere in the world. The LDCs particularly

suffered the most in the face of any disaster be it global, regional or local. COVID-19 had multiplied such sufferings. Trade would bring no prosperity if they failed to save human beings from that global disaster. Bangladesh thanked the proponents for recognizing human urgency in both current and future crisis beyond the existing pandemic. Such proposals, if not tied up with any conditionality, would be truly helpful for all. Bangladesh looked forward to engaging constructively on the issue.

11.7. The representative of South Africa referred to its statement in the General Council in December. As a principle, South Africa agreed with the proponents that a global health crisis required a coordinated global response for the common good. However, the actions advanced by the proponents would not result in equitable outcomes in the long run. It was evident from past experiences that while in the middle of a health crisis, the critical success factors were speed, sharing knowledge and know-how and supporting global solutions that were equitable, inclusive and timely. Discussions should focus on how the WTO could promote within its mandate, equitable access and sharing of vaccines, diagnostics, therapeutics and other technologies and medical products to ensure that no one was left behind. Members urgently needed cooperation and coordination to ramp up production and promote local manufacturing of essential medical supplies, devices or technologies including diagnostics, medicines and vaccines on reasonable and affordable terms.

11.8. South Africa was concerned that the proposal was premised on a trade liberalization agenda. A one-size fits all approach was not suitable nor appropriate. That was evident from the fact that some of the proponents had resorted to the very measures they advocated against. That was a clear indication that in the midst of an unprecedented crisis, with many countries still grappling with its effects, rulemaking was not the best response. The pandemic had highlighted the severe shortcomings in the view that every challenge required more tariff liberalization or more trade rules. That approach – in large measure – was responsible for the imbalances in global trade and the many risks associated with global value chains.

11.9. In light of recent developments, it seemed necessary to reaffirm Members' commitment to multilateral cooperation. In committing to multilateral cooperation, they should recognize that the pandemic would have a disproportionate impact on developing countries. That necessitated that Members used all policy tools within the confines of the rules-based system to promote economic recovery based on their circumstances. South Africa was also concerned that the proposal attempted to introduce disciplines on export taxes.

11.10. The WTO should respond to the pandemic. Members should stay true to the Declaration on TRIPS Agreement and Public Health and ensure that IP was not a barrier to timely, equitable and affordable access to vaccines and therapeutics. Approval of the TRIPS Waiver would enable sharing of know-how and data, promote technology transfer that was critical to scale-up production across many countries and address current shortages. It was clear that the existing manufacturers were struggling to meet the global demand. The ICC study had found that the global economy stood to lose as much as USD 9.2 trillion if governments failed to ensure developing economies access to COVID-19 vaccines and had warned against vaccine nationalism. Members should urgently engage in a solution-oriented process to find an effective solution to boost productive capacity for products essential in dealing with COVID-19 across the world which would in turn facilitate economic recovery.

11.11. The representative of Hong Kong, China supported the proponents' efforts which sought to enhance the capacity of the international trading system to respond to public health emergencies and help improve the resilience of global supply chains. Hong Kong, China welcomed the draft General Council declaration circulated by the proponents in document JOB/GC/251 which it was still studying and looked forward to engaging further with the co-sponsors on the matter.

11.12. The representative of India reiterated that the rules and agreements inked for a normal situation, not keeping in mind a disaster or pandemic situation, would not deliver the desired and effective outcomes. India was disappointed with most of the contents of the present proposal. Those proposals were only trying to justify existing rules which had not been made to handle a pandemic, and were not accommodative to take on board new measures. India would have appreciated the co-sponsors' support on the TRIPS Waiver Proposal which would have matched their words in letter and spirit "to deliver an effective global response to crisis" in their submission through concrete action.

11.13. Preventing further disruptions in the supply chains of essential medical goods highlighted in the submission was one part of the solution. The submission missed out a very significant element

in COVID-19 response. While it talked about facilitating movement of goods including medical products and food supplies, it was silent on facilitating movement of healthcare professionals and liberalizing measures on that front. Negotiations on new WTO commitments in terms of movement of healthcare professionals including doctors, nurses, paramedics, radiologists, surgeons, dentists and physiotherapists by lowering the barriers, eliminating the restrictions in qualification requirements and procedures, cross-border recognition of professional qualifications, harmonization of entry requirements and easing the entry procedures should also be simultaneously explored with the aim of concluding such negotiations by MC12.

11.14. On export restrictions, it was a dual use policy tool. During the pandemic, while one country had used it for ensuring equitable distribution of critical medicines, diagnostic kits, ventilators and personal protective equipment to large number of countries based on mutually assessed needs and in the absence of this tool, entire supply could have been cornered by the rich and privileged lot with deep pockets as they were not working in a perfect market condition. On the other hand, one of the proponents of the proposal had chosen to do the opposite and had used export restrictions as a tool to prevent cross-border shipment of vaccines from its territory. Export restrictions would therefore continue to play their role as a policy tool which would depend on how a Member would use them.

11.15. On sharing of experiences and cooperation of the WTO with other organizations, India welcomed the proposal and was willing to discuss it further with the proponents. India was confident that with Dr. Ngozi's experience, Members could certainly achieve better coordination with other multilateral organizations. Any binding measure on additional transparency would only come in the way of successful integration of trade and health particularly during a pandemic. During the previous General Council meeting, India had expressed its willingness to engage with proponents for a comprehensive proposal but it was met with total silence on their part. That had only confirmed its fear that they were not serious in delivering practical and meaningful responses to the pandemic.

11.16. The representative of Chinese Taipei agreed on the urgency for Members to take proactive and coordinated work to effectively address the unprecedented health and economic challenges that Members were facing. In line with the actions recommended in the proposal, Chinese Taipei hoped that the initiative would help the flow of essential medical goods and vaccines. Chinese Taipei would be pleased to work with Members on measures that could contribute to the successful fight against COVID-19 and on how to further enable the multilateral trading system to address future public health emergencies. Chinese Taipei remained ready to work with Members constructively to ensure that the actions taken were relevant to the global response to the health crisis.

11.17. The representative of the United States welcomed the opportunity to work with proponents and other Members to identify specific challenges affecting supply chains in essential goods and to examine how Members could address those challenges at the WTO, where appropriate. Specifically, the United States saw an opportunity for productive work on trade facilitation measures and in improving Members' transparency.

11.18. Regarding trade facilitation, the United States was optimistic that the approach outlined by the proponents would promote in-depth discussions in relevant WTO Committees that could help Members identify practical, trade-facilitating solutions to specific supply chain problems. The United States anticipated that such effort would complement the COVID-19 response proposal in the Trade Facilitation Committee co-sponsored by 15 Members including the United States to accelerate the implementation of key provisions of the Trade Facilitation Agreement as part of their collective efforts to move critical goods more rapidly.

11.19. Regarding transparency, the United States welcomed a detailed discussion on how to improve Members' transparency with respect to their pandemic-related trade measures. The United States recommended setting a practical goal – for Members to improve their transparency so that they could more quickly understand a trade measure that could cause supply chain disruptions. Monitoring was a core responsibility of Members and its outputs should be Member-driven. The United States looked forward to evidence-based examinations of specific problems facing pandemic-related supply chains and how that proposal could tackle those real-world problems.

11.20. The Biden-Harris Administration was moving swiftly in that regard. On his first full day in office, the President had issued the Executive Order on a Sustainable Public Health Supply Chain. The Executive Order called for a pandemic supply chain resilience strategy founded in part on an

analysis of problems in supply chains and options for strengthening them. That forthcoming analysis would be important to their collective success. The United States reiterated that the work stream should not stigmatize, discourage or constrain Members' right under GATT Article XX to impose trade measures necessary to protect human life. Their predecessors had wisely foreseen the need for that right and Members seemed to have approached it with due care even amid great trial.

11.21. The representative of Colombia considered the proposal to be a positive and constructive initiative and stood ready to contribute to discussions around it. Colombia was particularly interested in the discussions on the scope and framework of efforts to address restrictions on medical supplies – one of the elements of the proposal. Members could count on Colombia to make a constructive contribution to future discussions.

11.22. The representative of Peru noted that multilateral responses within an international predictable trading environment should focus on addressing challenges posed by the COVID-19 pandemic and its devastating consequences. Members should provide a long-term response to enable them to be better prepared for any future pandemic. The proponents should continue their outreach with delegations on that initiative so that they could better assess its content and scope. Peru took note of Canada's statement and stood ready to look at medium and long term solutions.

11.23. The representative of the Philippines said that the proposal, the latest of several Member-driven initiatives on COVID-19, was a textbook multilateral trade response to a global crisis of such impact and magnitude as the COVID-19 pandemic. In addition to echoing other political calls to action on COVID-19, most notably the G-20 and APEC Ministerial declarations, the proposal represented the most comprehensive set of concrete trade-related COVID-19 measures to date.

11.24. From a technical standpoint, the proposal ticked the right boxes, addressing in a granular manner trade-related COVID-19 issues Members already knew fully well, more than a year into the global pandemic. As first steps towards a multilateral trade solution went, the proposal for Trade and Health Initiative represented a leap forward. Implicit in the proposal was that a comprehensive WTO solution should be first and foremost about trade. But the ultimate end of their actions at the WTO had always been sustainable development and the welfare of the people. No less than the new Director-General, Dr. Ngozi Okonjo-Iweala, echoing the preamble to the Marrakesh Agreement, had declared that "the WTO is about people." The Philippines could not agree more.

11.25. In all their actions in the fight against the COVID-19 pandemic, Members should put people first. The immediate paramount consideration should be to save lives and prevent any further loss of life. It was imperative that there be concrete measures that responded to the immediate life-and-death concerns of the most vulnerable among them, specifically those Members with limited or no access to life-saving vaccines and treatments. The proposal could very well become the opportunity to do so, if they, as a collective body, chose to do so. As a multilateral response to a global public health crisis required a multilateral consensus, the Philippines urged Members to strive to go beyond plurilateral joint initiatives and aim for a truly multilateral outcome.

11.26. The representative of the United Kingdom noted that the pandemic was a shared global challenge and Members had a shared opportunity to help tackle it for the benefit of citizens through action in the WTO. As such, the United Kingdom had already committed to the operative commitments with regard to tariff liberalization and approach to export restrictions as laid out in the text of the initiative. The United Kingdom looked forward to working together with the members of the Ottawa Group as well as other Members across the WTO as that critical work evolved.

11.27. The representative of Norway added its voice to those who were positively engaged in developing the initiative. The pandemic represented a global challenge and could only be addressed effectively through international cooperation. The multilateral rules-based trading regime was part of the toolbox available to the global community and trade was part of the solution. The initiative addressed issues related to both managing the current pandemic, recovering from the economic crisis caused by the pandemic and how Members could be better prepared for any future crisis. Norway invited other Members to engage constructively in taking the initiative forward.

11.28. The representative of Singapore said that the Trade and Health Initiative would help demonstrate that the WTO could meaningfully contribute to the global fight against the COVID-19 pandemic. It offered Members an opportunity to catalyse their thinking on how the WTO could

prepare itself better for future global health crisis and how they could explore the nexus between trade rules in emerging areas such as environmental sustainability. The initiative's aim was not to limit Members' abilities to achieve public health objectives. Rather, it aimed to ensure that Members could continue to have access to essential medical supplies at lower cost during times of crisis.

11.29. That could be done in two ways: (i) the commitment to lower and refrain from erecting trade barriers such as tariffs and export restrictions which would provide greater certainty to healthcare authorities when items were in short supply and (ii) facilitating the frictionless movement of essential medical goods across borders which would help reduce cost. The co-sponsors were committed to proceeding in a transparent and inclusive manner. Singapore encouraged all Members to keep their minds open and positively consider participating in the initiative.

11.30. The representative of Canada thanked all Members who engaged in the discussion. Canada looked forward to the outreach discussions and remained convinced of the value of the approach taken by the proponents.

11.31. The General Council took note of the statements.

12 REVIEW OF THE EXEMPTION PROVIDED UNDER PARAGRAPH 3 OF THE GATT 1994 (WT/L/1108)

12.1. The Chairman recalled that Paragraph 3(a) of GATT 1994 provided an exemption from Part II of GATT 1994 for measures under specific mandatory legislation – enacted by a Member before it became a Contracting Party to GATT 1947 – which prohibited the use, sale or lease of foreign-built or foreign-reconstructed vessels in commercial applications between points in national waters or waters of an exclusive economic zone. On 20 December 1994, the United States had invoked the provisions of Paragraph 3(a) with respect to specific legislation that had met the requirements of that paragraph. Paragraph 3(b) of GATT 1994 called for a review of the exemption five years after the date of entry into force of the WTO Agreement – and thereafter every two years for as long as the exemption was in force – to examine whether the conditions which had created the need for the exemption still prevailed. The General Council last considered the matter at its last meeting in 2019.

12.2. For the purposes of the review that year, the General Council would proceed in a manner similar to the previous reviews which was based on a procedure agreed by the General Council in 2002. All interested delegations could speak at that day's meeting and they could also subsequently submit comments and questions to the United States regarding the operation of the legislation under the exemption to which the United States would be invited to respond. Those statements, questions and responses, together with the annual statistical report provided by the United States under Paragraph 3(c) of GATT 1994, would form the basis for that year's review.

12.3. The matter would be on the agenda of subsequent General Council meetings in 2021 as the Chair would deem appropriate, or at the request of any Member. The General Council would consider the matter again at its last meeting of the year. The subsequent review would normally be held in 2023. As provided in Paragraph 3(e) of GATT 1994, the exemption was without prejudice to solutions concerning specific aspects of the legislation covered by that exemption negotiated in sectoral agreements or in other fora. With those words, he draw Members' attention to the annual report circulated by the United States in document WT/L/1108.

12.4. The representative of the United States welcomed the opportunity to participate in the review of the exemption under Paragraph 3 of GATT 1994. That exemption had been agreed to by all Members to deal with non-conforming provisions of domestic legislation of a non-discretionary character in a specific area addressed by the exemption and it was an integral part of the GATT 1994. In Paragraph 3(a), Members had agreed that as long as the legislation that the United States had notified prior to the date of entry of force of the WTO Agreement had remained in force and had not been modified to reduce its conformity with Part II of the GATT 1994, Part II would not apply to that legislation. Paragraph 3(b) specified that Members should review the exemption every two years to "examine whether the conditions which created the need for the exemption still prevail."

12.5. The United States confirmed that the conditions that had created the need for that exemption continued to exist including the US Navy's reliance on commercial shipyards for day-to-day maintenance of naval and surge-fleet vessels. It also remained critical for US ship-builders to build

commercial ships for trade to ensure the maintenance of a viable industrial base to meet future US naval requirements. The United States had the same need as it had in 1994: to maintain its shipyards' readiness to build and maintain naval vessels.

12.6. The United States had also continued to provide Members with annual statistical reports under Paragraph 3(c) of the GATT 1994, including the most recent report submitted in December 2020. Those reports provided detailed annual reporting of vessel orders and deliveries from US shipyards. The United States would be pleased to organize an informal consultation on the matter with interested Members prior to the conclusion of the review at the final General Council meeting of the year. The United States thanked other Members for their interest in the issue and stood ready to answer Members' questions on the topic as needed.

12.7. The representative of Norway said that it was an important item on the agenda since the waiver in essence made it impossible to sell ships to the United States. That review should focus on the salient point of Paragraph 3(b) of the GATT 1994 which was the examination of whether the conditions which had created the need for the exemption still prevailed. There was a need to move beyond the point of discussing only statistical information submitted under Paragraph 3(c) of the GATT 1994. There was a real need to address the conditions for the exemption and whether there was still a need for that exemption. As far as the next practical steps in the process were concerned, Norway was prepared to go along with the procedure suggested by the Chair and welcomed the United States' invitation to informal consultations.

12.8. The representative of Panama reiterated its interest in the topic and asked that its delegation be included in any informal consultations that could be organized to follow up on that matter.

12.9. The representative of the European Union supported the review process and underlined strong concerns with that unjustified exemption. The European Union continued to view the Jones Act as a piece of legislation that restricted fair competition in the shipbuilding and shipping markets and no longer served a legitimate purpose in today's global economy. Even more, new implementing rules showed an increasingly protectionist interpretation of the Jones Act going even further beyond its original intention. The prevailing situation had negative economic consequences for the European Union's and other countries' shipbuilding, logistics, dredging and energy industries. But the costs were also high for the United States which was faced with higher costs for off-shore energy production, coastal protection from flooding, adapting to climate change and haulage services due to the closure of the US market for foreign built, serviced or operated ships. The EU hoped that the 2021 review would be consequential. It should not become a recurring point in the agenda but rather the starting point to look into how to remedy a situation which was neither justified nor satisfactory.

12.10. The representative of the Republic of Korea registered its systemic and commercial concerns over the US exemption under Paragraph 3(a) of the GATT 1994. The exemption was not in line with the fundamental principles of the WTO as it restricted fair competition in shipbuilding and shipping markets. The review of that longstanding exemption in accordance with Paragraph 3(b) of the GATT should focus on examining whether the conditions which had created the need for the exemption still prevailed. In that vein, Korea asked the United States to provide convincing explanation on the necessity to continue that practice and looked forward to joining further discussions on the issue.

12.11. The representative of Hong Kong, China noted that its view remained that the exemption which had been in place since the establishment of the WTO was a major derogation from the WTO's fundamental principle of national treatment. Recognizing the crucial role of maritime transport in the logistics trade, Hong Kong, China was also concerned that the continued exemption would hold the United States back from liberalizing its maritime transport services sector. Hong Kong, China urged the United States to critically consider whether the conditions that had created the need for the exemption in question still prevailed and looked forward to engaging with the United States constructively and achieving a positive outcome in that review.

12.12. The representative of Japan attached great importance to the review process. The exemption was a deviation from the fundamental principles of the WTO. Japan acknowledged that the United States was currently looking into the possibility of modifying its interpretation and implementation of the Jones Act. It was important that such modifications did not prevent fair competition. Japan continued to expect that the United States would duly share related information and clarify any relevant updates to its interpretation and implementation of the Jones Act, including any updates to

relevant legislation. Japan expected the United States to not only share relevant data but also conduct a substantial examination to address whether that exemption was still necessary.

12.13. The representative of China noted that the five-year moving average for the multi-vessel deliveries were gradually going down. The review of that longstanding exemption was not however about sharing the data or analysing the market trend but examining whether the conditions creating the need for the exemption still prevailed. China was looking forward to further clarification and justification by the United States concerning the necessity and the rationale of the exemption.

12.14. The representative of the United States thanked and acknowledged the comments provided that day by the delegations of Norway; Panama; the European Union; the Republic of Korea; Hong Kong, China; Japan and China. The United States had taken note of their questions and comments and looked forward to consultations with them later that year.

12.15. The General Council took note of the statements and agreed to revert to that item at its last meeting of the year.

13 TRADE RELATED CHALLENGES OF THE LEAST DEVELOPED COUNTRIES AND WAY FORWARD: A DRAFT FOR MC DECISION (WT/GC/W/807)

13.1. The Chairman recalled that the item was included in the agenda at the request of Chad on behalf of the LDC Group and was related to the communications from the LDC Group on Trade Related Challenges of the Least Developed Countries and Way Forward in document WT/GC/W/807 – which included a proposed draft Ministerial Conference Decision.

13.2. The representative of Chad, on behalf of the LDCs, reiterated the importance for LDCs of an outcome on the issue of graduation at the next Ministerial Conference and took the opportunity to answer some of the questions raised at the previous meeting regarding the LDC draft Ministerial Decision in document WT/GC/W/807. Some Members had asked why the decision should be extended to all S&DT provisions and to all LDCs. Some had argued, in particular, that it could be easier for Members to examine specific issues rather than adopting a broad and horizontal approach.

13.3. In response, the LDCs stressed that the main objective of the LDC graduation proposal was to provide predictability and legal certainty for a smooth transition after the graduation process as envisaged under relevant UN resolutions. The current system where individual Members could request specific waivers ultimately meant that any smooth transition arrangement would depend on the negotiating capacity of a single graduating LDC negotiating with the whole Membership and could be vetoed by any Member. That would not only put graduating LDCs in a difficult situation, it would also specially affect weaker LDCs that did not have sufficient negotiating capacity.

13.4. Limiting the scope of the smooth transition to specific measures would imply deciding ex ante which S&DT provision was relevant or not even before LDCs reached the graduation stage. Alternatively, defining the list of support measures to be extended to an individual LDC Member only when it reached the graduation stage would be equivalent to the current situation and would not address the problems facing LDCs. In the same vein, deciding on a case-by-case basis which LDC was entitled to an extension when it reached the graduation threshold as had been suggested by some would go against the internationally recognized need for automatic and predictable measures.

13.5. For all those reasons, picking and choosing specific support measures or which LDCs deserved an extension or not would defeat the whole purpose of the proposed Ministerial Decision and would not improve the status quo. It would also result in arbitrary and unjustifiable discrimination affecting the most vulnerable graduating Members.

13.6. A waiver was clearly not the correct type of instrument to address that recurrent problem. As mentioned under Article IX of the Marrakesh Agreement, waivers were designed for exceptional circumstances, not for a normal step in the development process of an LDC Member. The need for smooth transition was not an exceptional situation. It was recognized by all Members of the United Nations and had been addressed under numerous UN General Assembly Resolutions.

13.7. Precedents existed for formal, automatic and predictable time bound smooth transition mechanisms for graduating LDCs. Just as existing S&DT provisions applied to all LDCs, those

schemes applied indiscriminately to all LDCs and did not condition access to previous negotiations which could be vetoed by any Member. That was the main objective of the proposed decision and the LDCs were sure Members would recognize the importance of addressing that problem effectively by MC12. As a practical way forward, the LDC Group proposed that the Chair facilitated small group consultations with delegations to achieve consensus on the matter and requested for that item to be kept in the General Council's agenda until the issue of critical interest to LDCs was resolved.

13.8. The representative of Nepal associated with the statement by the LDCs. Sustainable and inclusive trade, particularly export trade, constituted a critical pillar for the LDCs' overall socio-economic development. However, reports showed that the LDCs had not been able to benefit from the global trading system in a just manner owing to numerous constraints including supply-side constraints and non-tariff barriers. Since achieving global targets of LDC graduation and SDGs were common agenda, Members should support LDCs in meeting those global targets in a timely manner through taking relevant decisions in the WTO. Moreover, the pandemic had impacted the LDCs most severely and had devastated the LDCs' export performance.

13.9. Recovery of LDC economies was almost impossible without specific additional and robust support measures from the donor Members and, for that matter, achieving global targets of LDCs in that critical situation would remain unfulfilled. No LDC intended to remain in LDC status forever and therefore motivating all LDCs towards graduation through necessary support mechanisms had become urgent. Some LDCs were on their path to graduation while others were still in the process. Graduation was not an end in itself but just a threshold with some artificially set numbers to measure some indicators where more aspects of socio-economic development had remained untouched. What was more important was the move towards the next level of the sustainable development ladder through graduation but graduation presented further challenges to LDCs in trade and development.

13.10. Graduated countries posed a great risk of falling back into the LDC category if their progress was not sustained. They would lose access to a wide range of international support measures further widening the gap if sufficient support was not strengthened to sustain the graduation. The globally accepted principle of smooth transition needed to be recognized making the continuation of support measures for a longer transition period even more urgent. Nepal fully supported the LDCs' submission and urged all Members to positively consider and accept the proposal. Among the various support measures available to LDCs, the DFQF market access facility was extremely important to sustain their export in destination markets.

13.11. Extending that support for 12 years as reflected in the submission would be instrumental in sustaining LDCs' export performance even after graduation. In that context, the decision to be taken by the WTO would therefore become crucial. Once the transition period was extended to 12 years and graduated LDCs continued benefiting from the same level of support within that period, they would certainly be able to build their strong export base to advance towards the path of the developing countries in a sustainable manner.

13.12. The representative of Bangladesh supported the LDC Group's statement. Smooth transition of graduating LDCs in the WTO was critically important for Bangladesh. A growing number of Members had expressed support for a formal mechanism under the auspices of the WTO. Bangladesh could not emphasize enough the need to formalize it by MC12 and strongly supported the LDC Coordinator's request to facilitate small group consultations with delegations as a practical way forward and to keep that item in the agenda of the General Council until the issue was finally settled.

13.13. Bangladesh addressed some of the questions raised by Members at the previous General Council meeting in December and subsequently during a few bilateral exchanges. As highlighted by the LDC Coordinator, the main purpose of the draft Ministerial Decision was to establish a smooth transition mechanism in the WTO which provided predictability and legal certainty. The mechanism should apply indiscriminately to all LDCs.

13.14. Some Members had argued that the period of 12 years was too long if it came on top of the graduation process envisaged under the UN CDP. It should be recalled that the internationally recognized concept of smooth transition was coined to help graduating LDCs to cope with a gradual removal of international support measures after graduation and was not related to the very process leading to such graduation. On top of that, it was in the interest of Members to ensure that no

graduating country fell back in the LDC category as a result of the loss of international support measures including S&DT treatment.

13.15. Some Members had also asked the justification for the proposed 12 years as the length of the transition period. The LDC Group was willing to discuss that with its partners if the proposal in principle and the need for a formal mechanism which would be applied to all LDCs after graduation was accepted. The outcome should ensure predictability so that the LDCs after graduation got sufficient time to adjust their economies to the gradual loss of support measures. The LDC Group expected the approval of that submission.

13.16. Other Members had noted that some graduated LDCs could have higher development indicators than some of the existing developing countries. The LDC graduation threshold was set at a higher level than the inclusion threshold. It was by definition possible that graduating LDCs had higher indicators of income, human asset or economic vulnerability than a few other developing countries. That had been done by design to avoid a situation where a graduating LDC would fall back in the LDC category. That should not be argued against the graduating LDCs to benefit from a smooth transition. The UN notion of smooth transition was not made conditional to the graduating LDCs having lower development indicators than any other non-LDCs. There was no reason why it should be conditional in the WTO context. It would rather be seen as an encouragement for LDCs aspiring to graduate which was also the international community's objective.

13.17. Some Members had raised the issue of the time bound Services Waiver. The Services Waiver should become permanent following the model of trade preferences for goods under the GSP in the enabling clause. The proposed draft Ministerial Decision was crafted to call on developed and developing countries to grant unilateral trade preferences to LDCs and to establish procedures for extending and gradually phasing out their preferential market access scheme. Should the Services Waiver expire before the twelve-year transition period for graduating LDCs, according to Paragraph 3 of the draft Ministerial Decision, an LDC after graduation would be entitled to benefit from the remaining period until the expiration of the Services Waiver.

13.18. Bangladesh had been saying time and again that the draft decision tabled by the LDC Group did not request for any new support measures. Instead, it urged to maintain the status quo for a certain period of time after graduation. It would only be in line with the UN resolutions calling for S&DT provisions in the WTO to be extended for graduating LDCs. It would also improve predictability and confidence of LDCs about to leave the category.

13.19. It was not surprising that many LDCs were reluctant to graduate considering the potentially high cost of losing support measures for LDCs at a time when the world was hit by a global pandemic. In that context, at the next WTO Ministerial Conference, a decision on the continuation of support measures for the graduated LDCs would send a strong signal in favour of LDCs from the entire multilateral trading system.

13.20. The LDC Group requested the General Council to keep that item in the agenda for its next meetings and until the issue was resolved. In the meantime, the LDCs would engage bilaterally with Members concerned. Bangladesh also requested the Chair's support to help facilitate informal group consultations towards a positive decision for that submission as proposed.

13.21. The representative of Mauritius, on behalf of the African Group, fully supported the submission by the LDC Group contained in document WT/GC/W/807 and the draft Ministerial Decision that would allow LDCs to continue with specific support measures and S&DT and flexibilities twelve years after graduation. The Fact Sheet on LDC Graduation in WT/GC/W/806 provided necessary information that would allow Members to better understand the rationale of the draft decision. The draft Ministerial Decision proposed by the LDC Group provided for a comprehensive, effective and smooth transition mechanism for graduating LDCs under the WTO system.

13.22. While many arguments had been put forward, Members would agree that the WTO had always provided exceptions for countries and had always understood that the "one size fits all" approach did not apply. That was why LDCs had been given those flexibilities. For those that had moved from being lower income to middle income to upper middle income to high income with all of the challenges and difficulties associated with each stage of advancement and development, the

advancement and the graduation of LDCs would not necessarily mean that overnight they could cope with their new situation.

13.23. While LDC graduation was an achievement to be celebrated, it should not become a break to the further development of graduating Members given their economic vulnerability but also their limited negotiating capacity. As part of the inclusivity agenda of the African Group, Members needed to accompany LDCs in their development process even as they prepared to face those graduation challenges. Unfortunately, except for the Enhanced Integrated Framework, there were no formal WTO procedures to support a smooth transition for LDCs' graduation – hence the proposal at Ministerial level. The African Group supported the proposal and called on all Members to constructively engage in discussions on the proposal with a view to its adoption at MC12. The African Group was ready to facilitate a positive conclusion on the submission.

13.24. The representative of The Gambia associated with the statement by the LDCs and thanked Members for their constructive engagement on the draft decision and for the questions posed during the December meeting. The Gambia supported the proposal for small group consultations among Members with a view to finding a mutually acceptable solution on that important issue for LDCs.

13.25. The representative of South Africa associated with the statements by the African Group and the ACP and referred to its statement on the issue at the December General Council meeting. The Marrakesh Agreement recognized the need for positive efforts to be designed to ensure that developing countries, especially the least developed among them, secured a share in the growth in international trade commensurate with the needs of their economic development. South Africa therefore considered that request in that spirit. LDCs faced significant trade and development challenges, more so in the context of the COVID-19 pandemic. South Africa supported a need to introduce a comprehensive and effective smooth transition mechanism for graduating LDCs under the WTO System. South Africa therefore supported the LDCs' submissions on the matter and looked forward to constructive discussions with the hope that it would be concluded for a decision at MC12.

13.26. The representative of the United States was continuing to review the matter and looked forward to engaging with the LDC Group further on it. The United States would appreciate receiving responses to the questions it had posed at the General Council meeting in December regarding how the waiver would be operationalized in order to assist with its review. The United States understood that the UN Committee for Development Policy reviewed the list of LDCs every three years and made recommendations on graduation from that category. In practice, the CDP could postpone graduation for up to nine years when all possible extensions were fully employed. Its question was, "would the twelve-year period in Paragraph 1 of the draft Decision overlap with the nine-year graduation process at the UN, or would the twelve-year extension begin after the nine-year graduation process?"

13.27. The United States would also like to better understand whether the LDC Group was pursuing changes to the graduation process in the United Nations that would address its goals. For example, the United States asked whether the LDC Group had considered seeking a longer graduation process in the UN, if a longer timeframe was warranted for a graduating LDC. The United States noted that under the proposal, a newly graduated LDC could have similar or even higher development indicators than some non-LDC developing countries. However, the graduating LDC would receive more benefits at the WTO than the similarly-situated non-LDC developing countries. The United States asked whether the LDC Group had considered that scenario.

13.28. The United States had also heard some comments that day by the proponents referring to maintaining the item on the agenda. In order to avoid future confusion, the United States referred to the Rules of Procedures, particularly Rule 4, that would apply in that case and that would require items to be submitted in writing to the General Council prior to the date of the closure of the agenda. That way, all of Members could prepare for those meetings in a more regular fashion. Abiding by the Rules of Procedure would be appropriate.

13.29. The representative of China saw the necessity and urgency of ensuring the sustainable transition of the LDCs especially amid the COVID-19 pandemic. A recent UNCTAD report indicated that LDCs were undergoing their worst recession in 30 years due to the pandemic. Angola's delayed graduation showed that the consequences of the pandemic had slowed down some countries' prospect to graduate from the LDC category. Similarly, with their socio-economic vulnerability

exacerbated by the global crisis, the graduated LDCs were facing serious challenges which could undo years of development progress without continuing support measures.

13.30. As a staunch supporter of the LDCs' further integration into the multilateral trading system, China was a top export destination market for LDCs. China currently offered duty free access to 97% for goods originating from 41 LDCs. Transition periods were also provided for recently graduated LDCs for their continued benefit from China's DFQF scheme for LDCs. China remained committed to providing unwavering support to LDCs with the view to achieving their sustainable development goals. The WTO should take positive action and find a feasible way to respond to the need of smooth transition for LDC graduation. China called on all Members to constructively engage in the discussion of the proposal towards a tangible outcome.

13.31. The representative of Norway was sympathetic to the concept of transitional arrangement for graduating LDCs. Norway noted Bangladesh's indication of willingness to discuss the number of years and looked forward to engaging with the LDC Group in the coming months.

13.32. The representative of the Central African Republic noted that the LDC submissions highlighted the trade and development challenges faced by graduated LDCs as well as their risk of falling back into the LDC category if the multilateral trading system failed to provide the support required to ensure that their progress was sustained. While it supported the statement, the Central African Republic raised two major concerns: the legal vacuum identified in the WTO's legal framework in relation to that matter and the difficulties of granting the same treatment to graduated LDCs as that granted to LDCs. The UN General Assembly had established provisions on the smooth transition strategy for countries that had been removed from the LDC category but those were not included in the WTO provisions. Resolving that issue required reforms to be made at the WTO to establish specific support mechanisms and arrangements for LDCs and graduated LDCs.

13.33. The representative of Japan believed that S&DT was crucial for LDCs to participate in the multilateral trading system and should be granted to those Members who actually needed it on an as-needed basis. Japan applied duty-free treatment to LDCs. In addition, in its unique system, Japan adopted preferential tariff treatment to 133 developing countries and regions. That meant that Japan did not apply MFN tariffs soon after LDC graduation but rather continued to grant preferential tariff to graduated LDC Members. Members should recall the principles and objectives of S&DT and discuss the transitional measures based on the purpose and objective of the respective WTO provisions. The transitional measures should be designed on an as-needed basis. Japan was ready to actively contribute to the discussion on S&DT in response to the current changes to the world economy including the increasing trend in LDC graduation.

13.34. The representative of Jamaica, on behalf of the ACP, commended the approach which was being taken to promulgate the interests of LDCs within the WTO especially in light of the impact of the COVID-19 pandemic. Undoubtedly, LDCs still faced significant trade and development challenges and now more than ever there was an urgent need to ensure that the interests and potential of LDCs were accommodated in WTO work especially in light of the impact of the COVID-19 pandemic and other existential and emerging challenges. As a Group of developing countries and LDCs, the ACP could relate to the vulnerabilities of LDCs which the COVID-19 pandemic had exacerbated.

13.35. LDCs had already been grappling to be fully integrated into the global trade system and the pandemic could undo all the strides that would have been made over the last few years. The ACP Group had taken note of the proposal for a draft Ministerial Decision for the consideration of Members to respond to the UN General Assembly Resolutions 59/209 of 2004 and 67/221 of 2012 and introduce a comprehensive and effective smooth transition mechanism for graduating LDCs under the WTO System. The ACP supported the LDCs' submissions and looked forward to further productive engagement on the matter to support LDCs, including graduating LDCs, in their developmental aspirations and their efforts to integrate into the multilateral trading system.

13.36. The representative of India had been a strong supporter of LDCs' integration into the multilateral trading system and had been at the forefront of efforts to increase their share in global trade. India granted duty free access to about 96% of the tariff lines for goods originating from LDCs with partial preference on another 114 tariff lines (i.e. about 2.15 % of tariff lines). India was the fourth biggest export destination for LDCs after the European Union, China and the United States. Through its dedicated Centre for WTO Studies, India helped LDCs to better integrate into the

multilateral trading system through various technical assistance and capacity building initiatives. As the submissions noted, LDCs suffered from various capacity constraints and economic vulnerabilities. Members had seen the impact of those vulnerabilities during the pandemic. India supported the granting of a reasonable period of time as transition period for ensuring a smooth transition for graduating LDCs under the WTO system and requested Members to favourably consider the proposal.

13.37. The representative of the Philippines said that, while it had not joined the WTO as an LDC, it had had a fair amount of experience in facing the end of various transition periods and other entitlements reserved only for developing countries in very specific situations such as Article XVIII of GATT 1994 and Article 28 of the Subsidies Agreement. The Philippines therefore understood vividly and appreciated the aim of the Ministerial Decision proposed by the LDC Group. There would be a negotiation process if Members would seriously address the proposal and in time for MC12. The Philippines called on all Members to manifest utmost understanding for the LDCs' situation especially those poised to graduate from that status. A smooth transition could take the form of an extension period or other forms such as building on existing preferential market access. The Philippines welcomed the proposal of the LDC Group and congratulated the LDC Members that had grown, competed and succeeded, and who were currently on the verge of leaving their LDC status.

13.38. The representative of Nigeria supported the LDC proposal and associated with the statements by the African Group and the ACP.

13.39. The representative of Cambodia associated with the statement by the LDCs. In the past years, only six LDCs had graduated from the LDC status. Since the United Nations had devised the LDC category in 1971, only six had graduated given that a lot of the LDCs could not satisfy two of the three criteria and some had been reluctant to graduate as they wanted to make sure that after graduating from LDC status, they would be strong and be able to stand by themselves. They did not want to fall back to LDC status. Cambodia supported graduated LDCs to get an extension of all the relevant support measures provided in the multilateral trading system for LDCs. The extension of LDC-specific support measures should cover technical assistance and all LDC-specific S&DT provisions in the WTO Agreements. Cambodia urged Members to constructively engage by joining in the small group consultations mentioned by the LDC Coordinator. Cambodia thanked Members that had supported the proposal and provided preferences. Adopting the proposal at MC12 would ensure that graduated LDCs would not fail – encouraging other LDCs to graduate from that status.

13.40. The representative of Vanuatu, on behalf of the Pacific Group, supported the smooth transition of graduating LDCs and the statement by the ACP. Apart from the loss of trade preference and aid for trade support, Pacific LDCs faced ongoing challenges from climate change and frequent and severe natural disasters that undermined their development efforts. One disaster could wipe off a significant proportion of GDP and productive and trade capacity such as in 2015 when Vanuatu had incurred a loss of over 60% of GDP due to Cyclone Pam. The draft decision would provide greater certainty and predictability for LDCs by continuing market access and aid for trade support for 12 years. Those would facilitate their smooth and successful transition and better integration into the multilateral trading system. The Pacific Group encouraged Members to support the draft decision.

13.41. The representative of Chad, on behalf of the LDCs, thanked Members who had spoken for their flexibility and for their support on the proposal. The LDCs had carefully noted what had been said as well as the questions that had been posed. The LDC Group was open to further discuss the matter with Members including by conducting consultations to address the concerns and provide explanations. The LDC Ministers had stressed at MC11 the need for the WTO to establish special measures for graduated LDCs. Members had a clear remit from the LDC Ministers and the LDCs would move along that track so that Members would come up with a solution. The LDC Group was willing to pursue discussions until Members could reach an agreed solution.

13.42. The Chairman thanked Members for the discussion that day. As noted in the course of the discussion, he recalled that if there was a desire to add that or any other item on the agenda of future General Council meetings, the procedure was clearly laid out in Rule 4 of the Rules of Procedure. In noting the LDCs' request to add that item again, he drew Members' attention to Rule 4. He also took note of the LDCs' request for the Chair to facilitate consultations on the issue and would look into that accordingly.

13.43. The General Council took note of the statements.

14 REVIEW OF WTO ACTIVITIES – REPORT OF THE WORKING GROUP ON TRADE, DEBT AND FINANCE (WT/WGTDF/19)

14.1. The Chairman recalled that, in December, Members had taken up the Annual Reports of WTO Bodies which had been prepared in line with the Decision concerning Procedures for an Annual Overview of WTO Activities and for Reporting under the WTO (WT/L/105). As he had said at that meeting, the Working Group on Trade, Debt and Finance would submit its report at a later date, and that report was currently before the General Council in document WT/WGTDF/19. Unless any delegation wished to speak, he proposed that, in line with the relevant procedures, the General Council takes note of the report.

14.2. The representative of India said that the deliberations of the Working Group and its Report had clearly established the significant impact of COVID-19 on the availability of trade finance and its disproportionate impact on the Micro, Small and Medium Enterprises, particularly in developing countries and LDCs. Those were unusual times and they warranted unconventional and innovative mechanisms from the policy makers to tide over that crisis being faced in the area of trade finance. The growing gap between demand and supply of trade finance had particularly affected MSMEs and businesses in developing countries with adverse implications for jobs and incomes. It could seriously impede the ability of trade to support post COVID-19 economic recovery. The WTO, which had the responsibility to contribute to the efforts to revive the global economy through global trade needed to play an active role together with other international organizations for the revival of the complex links and networks involved in the trade finance market to keep finance flowing for trade.

14.3. In that regard, India had noted with interest the joint statement issued by the Heads of the WTO and six multilateral development banks in July 2020 promising to address shortages in trade finance so that financial market stresses arising from the COVID-19 crisis did not prevent otherwise viable trade transactions including for essential goods such as food, drugs and medical equipment. India was keen to learn how the joint statement had contributed to the WTO's work on that important issue. India noted the call made by DDG Alan Wolff at the G-20 Summit in 2020 on the need for the G-20 to make efforts to secure trillions of dollars in trade finance for developing countries to ensure the global economy recovered from the COVID-19 pandemic. Similarly, India was encouraged by the interest shown by Dr. Ngozi to focus on the issue. Given her background in development economics and experience in multilateral financial institutions, she could make a difference on that matter. India reiterated that the WTO needed to focus on the issue more than ever and looked forward to more engagements and efforts at the WTO in the coming months.

14.4. The representative of Côte d'Ivoire supported the statements by the ACP and the African Group under various items. On the Working Group on Trade, Debt and Finance, looking at the two meetings held in July and November 2020, Members should pay particular attention to the challenges faced by MSMEs. The situation had been exacerbated by COVID-19. Côte d'Ivoire, on the basis of Paragraph 36 of the Ministerial Declaration of 20 November 2001, believed that Members needed to consider document WT/WGTDF/W/98 regarding access to finance. That had been made available to the Working Group. That invited the Working Group to explore tangible solutions which could be established to help developing and LDC Members to get access to trade particularly the MSMEs as well as in the area of agriculture which accounted for a bulk of their exports and imports.

14.5. Access to finance had always been a major obstacle to growth for MSMEs. It had also affected agricultural cooperatives in developing and least developed countries. Sub Saharan Africa had the highest number of MSMEs. There was a real deficit in funding in Sub Saharan Africa. The finance gap for the 44 million MSMEs in Sub Saharan Africa had been estimated at USD 31 billion in 2018. A number of financial institutions including the African Development Bank, the Islamic Development Bank and the International Chamber of Commerce had carried out a survey in the second half of 2020 considering funding of trade in Africa. The results showed that there had been a deficit of billions of USD annually. The availability of funding had gotten worse due to COVID-19. Members had seen that the pandemic had exacerbated an already difficult situation faced by MSMEs.

14.6. There were a number of enterprises that had been seriously affected by COVID-19. There had been a major drop in income because of the drop in trade – and the normal sources of liquidity had dried up. There had been a number of companies that had not been able to get loans or they had been asked to provide unreasonable collateral for such loans. The health crisis due to COVID-19 had shown the major difficulties faced by MSMEs and it was important to look again at how MSMEs could

get funding particularly when there was cross-border traffic. Sometimes, it could be difficult to link different payment networks particularly when there was cross-border digital payments.

14.7. WT/WGTDF/W/98 of December 2020 talked about the problems of access which should be addressed so that MSMEs could participate in international trade through ready access to trade finance. Members should also come up with proposals to ensure that MSMEs could get access to trade finance during and after the pandemic – which was particularly important for LDCs. Côte d'Ivoire asked that the Secretariat and all Members to provide technical assistance in that area and to organize the necessary workshops so that they could have an exchange on international initiatives on trade finance for the benefit of MSMEs. Côte d'Ivoire would provide more detail on the matter during the next session of the Working Group.

14.8. The representative of Tanzania said that COVID-19 had devastated economies around the world, affecting all enterprises irrespective of their size and origin. Regarding the submission contained in document WT/WGTDF/W/98, Tanzania was still examining its implication. It had always been sceptical to the proposals relating to MSMEs due to the lack of common understanding and definition on the term. The criteria for categorization of MSMEs from one Member to another differed and was contingent to the size of the respective economy. It was the responsibility of each Member to have policies which accorded MSMEs special treatment to nurture their growth, a practice that had existed for decades. Tanzania however encouraged the proponents of special treatment for MSMEs to participate in the Committee on Trade and Development where S&DT provisions were being discussed for developing countries.

14.9. The representative of Morocco noted that the current economic crisis in several low and middle income countries caused by the COVID-19 pandemic needed a quick and effective response by reducing debt pressure and reforming debt's international architecture. Morocco called on the international community to show solidarity in supporting national recovery strategies. Members needed a sense of multilateralism and responsibility which could nourish the WTO actions through concrete and results-oriented initiatives. The adoption of a common framework for the restructuring of African public debt was a step in the right direction. However, a more ambitious and comprehensive approach was, now more than ever, necessary in order not to jeopardize the considerable efforts on African countries. The temporary debt moratorium, emergency financing, debt restructuring and debt cancellation should be part of the set of tools available to States, international institutions and the private sector to quickly address debt issues. The final objective should be to create budgetary room allowing the investments required to meet the most urgent needs of people and businesses especially MSMEs.

14.10. The Director-General strongly supported the statements by India, Côte d'Ivoire and Morocco on that subject. It was one that did not come up for the kind of attention that it deserved at the WTO. COVID-19 had highlighted the importance of the issue and the need to pay additional attention to it. As she had said earlier, whereas the richer countries had been able to implement fiscal stimulus of up to 21% of GDP, emerging markets had done 6% and poor countries 3%. That showed the gap. The lack of fiscal space by many developing countries had resulted in liquidity for the organized private sector in many countries and an insolvency crisis for those private enterprises and for MSMEs in those countries. There was absolutely no way they could integrate into the multilateral trading system absent finance to help smoothen the activities.

14.11. The work of the Working Group was very important. The issue of debt was also linked as had been mentioned by Morocco. Perhaps, at another occasion, Members would need to delve a bit more into that topic and how to come up with concrete remedies. That was a very specific issue that had specific responses. While being cautious not to distract the other issues Members had to deliver, they could take up that topic in cooperation with some of the other multilateral financial institutions as had been mentioned to improve the situation in LDCs and other developing countries. That could be a very good addition to the things that the organization could accomplish in the near future.

14.12. The representative of the United States placed on record that Members were confused about what was happening. That had been an item on an Annual Report from a Working Group that had already been discussed and that was the second item on the agenda that was meant to take note of an Annual Report but where they ended up spending an hour discussing on substance. If Members wanted to discuss a certain issue at the General Council then they should put it on the agenda. It was really unfairly prejudiced the way that had unfolded. Going forward, Members should be a little bit more respectful about the items that appeared on the agenda. If they had something to say,

then they should request an item to be added. That was more appropriate. He asked what the point was of having the Working Group if Members were going to debate on the same topic at the General Council. It was prejudicial to those that participated in the Working Group to use the item on the Annual Report that way.

14.13. The General Council took note of the Report of the Working Group on Trade, Debt and Finance in document WT/WGTDF/19 and of the statements.

15 APPOINTMENT OF OFFICERS TO WTO BODIES

15.1. The Chairman recalled that in accordance with the Guidelines for Appointment of Officers to WTO Bodies approved by the General Council in 2002 (WT/L/510), and the related practical steps to improve their implementation (JOB/GC/22) he had conducted consultations on a slate of names for the appointment of Chairpersons to WTO regular bodies listed in Groups 1, 2, 4 and 5 in the Annex to the Guidelines. He had been assisted by the Chair of the Dispute Settlement Body, Ambassador Dacio Castillo, and the former General Council Chair, Ambassador Sunanta Kangvalkulkij, and he took the opportunity to thank them both for their valuable assistance.

15.2. At the General Council meeting in December, he had noted that, in line with the practical steps he had just mentioned, they would be meeting first with the coordinators of the four broad groups, namely: (i) developed countries; (ii) Latin America and the Caribbean (GRULAC); (iii) African Group and (iv) Asian Group of developing Members. He had encouraged the four group coordinators to already begin their process of internal consultations at that point so that they could present names in early January. He had also urged all delegations to work with group coordinators with a constructive spirit and had recalled that the guidelines stipulated that the process of appointment of Chairs "is a routine annual housekeeping function whose purpose is to ensure that the organization continues to be able to handle its business in a smooth and seamless way."

15.3. They had met with the coordinators first on 11 January, and his understanding was that they had engaged accordingly within their respective groups with a view to submitting candidates for the various positions. On 22 January, he had sent a communication to all delegations informing them that consultations with the group coordinators had been on-going and that they would subsequently be providing a period in which they would be available to meet with any interested delegations. They had met with the Group Coordinators at regular intervals over a period of some five weeks to assess progress. On 12 February, he had sent another communication inviting any interested delegation to come and consult with them, and two delegations had come forward to do so.

15.4. He expressed appreciation for the cooperation that they had received from the group coordinators during the process and noted that some delegations had asked questions with respect to the criteria for rotation of Chairs and had raised concerns with some aspects of the process, including with respect to the applicability of the guidelines in the consultations within the various groups. Those concerns had been well noted and merited further reflection and consideration for future processes.

15.5. The process had included an informal General Council meeting which had been held on 24 February. At that point, he had presented a slate of Chairs for the bodies in Group 1, that was the General Council, the Dispute Settlement Body and the Trade Policy Review Body. For the bodies in Groups 2, 4 and 5, he had noted that they had a single candidate for most of them but that he had been informed very recently of another nomination for a competing candidate for the TRIPS Council. He had indicated that he would engage with group coordinators ahead of that meeting with a view to finding a solution. Since then, he had been advised of the withdrawal of the candidature. He had then sent a communication on 26 February informing all Members that they would be in a position to present a full slate at that meeting which he had attached to the communication

15.6. He sincerely thanked again the group coordinators and all delegations for working together with a constructive spirit. That positive attitude was much appreciated and had allowed them to be in a position that day to present a full slate for the consideration of the General Council.

15.7. The full slate of names for the WTO regular bodies in Groups 1, 2, 4 and 5 resulting from the consultations read as followed:

General Council	H.E. Mr. Dacio Castillo (Honduras)
Dispute Settlement Body	H.E. Mr. Didier Chambovey (Switzerland)
Trade Policy Review Body	H.E. Dr. Athaliah Lesiba Molokomme (Botswana)
Council for Trade in Goods	H.E. Mr. Lundeg Purevsuren (Mongolia)
Council for Trade in Services	H.E. Mr. Ángel Villalobos Rodríguez (Mexico)
Council for TRIPS	H.E. Mr. Dagfinn Sørli (Norway)
Committee on Trade and Development	H.E. Dr. Muhammad Mujtaba Piracha (Pakistan)
Committee on Balance-of-Payments Restrictions	H.E. Mr. Dmitry Lyakishev (Russian Federation)
Committee on Budget, Finance and Administration	H.E. Dr. Bettina Waldmann (Germany)
Committee on Trade and Environment	H.E. Mr. Manuel A.J. Teehankee (Philippines)
Committee on Regional Trade Agreements	H.E. Dr. Cleopa Kilonzo Mailu (Kenya)
Working Group on Trade, Debt and Finance	H.E. Ms. Cheryl K. Spencer (Jamaica)
Working Group on Trade and Transfer of Technology	H.E. Mrs. Le Thi Tuyet Mai (Viet Nam)

15.8. Appointments for those bodies would be for one year and they would be made formally by the WTO bodies concerned at their subsequent meetings that year.

15.9. With those words, he invited the General Council to take note of his statement and of the consensus on the slate of names for the appointment of officers in the WTO bodies that he had mentioned.

15.10. The General Council so agreed.

15.11. The Chairman recalled at that point that a subsequent process of consultations would be conducted by the outgoing Chairs of the Council for Trade in Goods and the Council for Trade in Services to select Chairs for the bodies established under their respective Councils. He invited Ambassador Anzén (Sweden), the Chair of the Goods Council to take the floor, followed by Ambassador Tan (Singapore), the Chair of the Services Council.

15.12. Ambassador Mikael Anzén (Sweden), Chairman of the Council for Trade in Goods, informed Members that he would begin consultations for the appointment of Chairpersons of the fourteen subsidiary bodies of the Council for Trade in Goods in accordance with the 2002 General Council Guidelines for the Appointment of Officers to WTO Bodies found in document WT/L/510. As the Chair had earlier underlined for the tier 1 nominations, those Guidelines specified that Members should regard the exercise as an annual routine and "housekeeping function". That was indispensable for the WTO to be able to continue handling its business in a smooth and seamless way. He therefore counted on the cooperation of the whole Membership in that regard.

15.13. As suggested in document JOB/GC/22, he would begin by consulting with group coordinators followed by other interested Members. To that end, later that day, he would send an e-mail to Heads of Delegations indicating his availability to begin consultations with group coordinators from 8 March. To ensure the transparency, efficiency and a balance required by the exercise, he would work in coordination with the outgoing Chair of the Council for Trade in Services. It was also his intention to propose and agree on a balanced slate of names at the next meeting of the Council for Trade in Goods which would take place on 31 March. He hoped that that would give sufficient time to present an appropriate and balanced slate of names for the election of Chairs to CTG subsidiary bodies at that meeting.

15.14. Ambassador Tan Hung Seng (Singapore), Chairman of the Council for Trade in Services, recalled that in accordance with the Guidelines for the Appointment of Officers to WTO Bodies adopted by the General Council in December 2002 (WT/L/510), he would be starting his consultations for the appointment of Chairpersons to the subsidiary bodies of the Council for Trade in Services. He would be consulting with a view to arriving at a proposed slate of names of Chairpersons for 2021 that enjoyed the wide support of the Membership. In order to ensure the balance of the slate, as mentioned in the Guidelines, he would be coordinating with the Chair of the Goods Council and would make sufficient time available to meet with Members.

15.15. The representative of India congratulated colleagues appointed as Chair of various bodies and wished them all success in that crucial year when they were working on recovery from the pandemic and preparing for MC12. India also acknowledged the opportunity it had received to engage and consult with all concerned on that important matter and thanked the Chair for taking note of its suggestions which had been given during the consultation process.

15.16. India noticed that the conventional practice of rotation of Chairs to WTO bodies was not being followed diligently and its analysis revealed that a transparent system of rotation among the four groups had been lacking across the WTO bodies. In fact, some Members were not even part of any of the groups and therefore were not able to participate in the process constructively.

15.17. While the system of rotation implied that the Chairmanship rotated sequentially among the four groups, India did not understand the basis why the rotation had been designed to be sequencing between the three developing country groups vis-à-vis one developed country group alternately. With that practice, the developed countries had the opportunity to chair a WTO Body every alternate year, whereas other regional groups would have to wait for six years for their turn. By no measure such a practice was fair and balanced or it was one more form of "reverse special and differential treatment" taken up by developed Members.

15.18. Despite the best efforts made by all parties, the process remained non-transparent and opaque. Often the process was left to the respective regional coordinators to decide whom they understood would have to follow their own approach in the absence of a harmonized practice or a basic framework. That often created confusion among Members and they should do everything to avoid distrust in a place where trust already had a heavy prime.

15.19. Experience showed that in Geneva, most things happened by precedence or practice. That could be working fine for those who were part of the "Geneva Club" for many years. But for newcomers who had not been part of the club before, it was hard to understand the basis for many practices and some of them defied logic. Time had come for Members to reflect on those practices especially the process of selection of Chairs of WTO bodies so that the process became transparent. Senior delegates who had been providing leadership for many years could wish to lead the process. For the sake of transparency, India hoped Members could start the work soon towards that end.

15.20. The General Council took note of the statements.

16 OTHER BUSINESS

16.1 Use of Interprefy Platform – Statement by Morocco

16.1. The representative of Morocco, speaking under "Other Business", commended the tireless work made by the Secretariat since the beginning of the COVID-19 pandemic outbreak and extended special thanks to the technical team behind the Interprefy platform. Morocco thanked them for

making their meetings possible virtually and giving the Membership an opportunity to continue its work during those challenging times. Nevertheless, Morocco looked forward to an update of the Interpretify platform as soon as possible in order to support the streaming of recorded statements of Ambassadors and capital-based officials. The request was based on several reasons.

16.2. Like many other delegations, Morocco faced serious problems with the overlapping meeting programmes of different organizations in Geneva which reduced the participation of such delegations in important meetings and events. The practice of streaming recorded statements was of successful use in other organizations in Geneva. The streaming of recorded statements helped to overcome the time differences and gave delegations the opportunity to participate in various meetings and to deliver precise and concise statements in full respect of the limits of the period of intervention allocated to each delegation. For all those reasons, Morocco called upon the Chair to encourage the Secretariat on behalf of all Members that such measures be planned for the next meetings.

16.3. The General Council took note of the statement.

16.2 Statement by the Chairman in connection with Administrative Measures for Members in arrears

16.4. The Chairman, speaking under "Other Business", noted that the revised Administrative Measures for Members in arrears in WT/BFA/132 required that, at the end of each meeting of the General Council, the Chair of the Committee on Budget, Finance and Administration should provide information with regard to which Members and Observers were under Administrative Measures.

16.5. Ambassador Manuel Teehankee (Philippines), Chairman of the Committee on Budget, Finance and Administration, was pleased to report on the administrative measures applicable to Members and Observers with Arrears in contributions and pursuant to procedures in place since March 2013. In accordance with the decision of the General Council, he should state all Members and Observers under all categories of administrative measures. He also noted that the item was usually the last item of the General Council meeting and ideally it should be the last item on the agenda before "Other Business". He would begin by reading out the list of Members and Observers subjected to measures of Category III as of 4 March 2021. Currently 10 Members were subject to Category III measures. Those Members were also subject to Category I and Category II measures. They were Antigua and Barbuda; Burundi; Central African Republic; Chad; Congo; Democratic Republic of Congo; Guinea-Bissau; Senegal; Sierra Leone and Bolivarian Republic of Venezuela. In addition the following three Observers were subject to measures of Category III: Libya (Observer); São Tomé and Príncipe (Observer) and Somalia (Observer). He would then read out the list of Members and Observers subjected to measures of Category II. Those same Members were also subjected to Category I measures. There were two Members – Cuba and Guinea, and one Observer – Syrian Arab Republic (Observer), under that category. Further to Annex B of the Financial Regulations of 2015 in document WT/L/156/Rev.3, Members and Observers that he had listed as being subject to measures of Category III and Category II were also subject to the following Category I measures. The following 13 Members were currently subject to Category I measures only: Argentina; Belize; Plurinational State of Bolivia; Chile; Côte d'Ivoire; Djibouti; Gabon; Indonesia; Mauritania; Papua New Guinea; Suriname; Togo and Yemen. In addition, the following 5 Observers were currently subject to measures of Category I only: Comoros (Observer); Iran (Observer); Iraq (Observer); Lebanese Republic (Observer) and Sudan (Observer). With regard to that matter, the Committee on Budget, Finance and Administration made the following recommendation to the General Council: "The Committee invites the General Council to urge Members and Observers under Administrative Measures to liquidate their arrears."

16.6. The Chairman said that he was 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.

16.7. The General Council took note of the statements.

17 ELECTION OF CHAIRPERSON

17.1. The Chairman said that, before moving to the election of the new Chairperson, in the tradition of his predecessors, he would like to say a few final words. He was not going to attempt to reflect

on the last 12 months – at least not that day. He did want to offer a few brief words of thanks first to his wife Fredericka for her unfailing inspiration, support and forbearance – only required even more so over that period.

17.2. He also thanked the Secretariat without whom and their numerous contributions that happened unseen every day, what they did as Members there simply would not be possible. To mention specifically, he thanked Victor do Prado, Stefania Bernabe, Susan Conn and Samantha Morgan in the CTNC Division along with the rest of the team over those past two years and indeed also Bozena Mueller-Holyst and John Adank and his team through 2019 and an extended period into 2020. He extended appreciation to DDG Agah, DDG Brauner, DDG Wolff and DDG Yi – particularly for their wisdom, commitment and leadership in navigating the WTO through that extended and unique 'interim arrangement' period they had experienced. He also thanked the interpreters, technicians and logistics personnel for their innovation and commitment which had enabled them to continue to have functioning working meetings in Geneva through the pandemic period.

17.3. He was also grateful to the Members for the trust they had placed in him to undertake the role on their behalf and for their cooperation and support throughout. It had been an honour and a privilege to serve as them as General Council Chair. It was time to focus on the road ahead. Normally at that point that year, Members would have been in the early stages of their search for a new Director-General. In fact that day, in the Ministerial Conference year, they already had their new Director-General in office and she was there with Members in Geneva as they looked to respond to and deal with the challenges of 2021 and to engage in their preparation of the substantive agenda for the Ministerial Conference.

17.4. It was now up to Members to make the most of that opportunity in 2021 – together with the new leadership that Director-General Ngozi brought – to deliver the meaningful outcomes required and chart the way ahead for the WTO to play its full role in contributing to recovery from the pandemic and to sustainable economic development and prosperity going forward. In other words, Members should seize the opportunity to ensure the WTO remained at the heart of the robust, responsive, sustainable and enforceable rules-based multilateral trading system that, ultimately, they all needed.

17.5. He then proposed to move to the election of the new Chairperson. On the basis of the understandings that had been reached on the appointment of officers to WTO bodies, he proposed that the General Council elected by acclamation H.E. Ambassador Dacio Castillo (Honduras) as the next Chairperson of that body.

17.6. The General Council so agreed.

17.7. The Director-General said that it felt right that one of her first tasks as Director-General was to pay tribute to Ambassador Walker's work at the helm of the General Council. Watching him handover the Chairmanship had totally earned her respect. He had shown that he was not afraid to show his emotions. And his emotions, regarding what it took to run the General Council as well as the toll it had taken on him, showed him that the WTO was an organization worthy of love and respect. For that she wished she could say she took off her hat to him but she could not so instead she took off her scarf to him. She also wished she could give him a hug but she would instead give him a greeting. She said, "you, Ambassador Walker, are special".

17.8. Amid the unprecedented disruptions of a global pandemic, Ambassador Walker had done an exceptional job in steering the General Council. Whether consulting with Members and chairing meetings in person or virtually, he had kept things running smoothly. He had overseen the DG Appointment Process under exceptional circumstances and he had conducted it in a fair and steady manner. As a DG candidate, there had been times when she had asked herself what was the General Council Chair doing in that peculiar process – an unprecedented process that she had never seen before. But at the end of the day she had to admit that the Troika with him at its head had tried its utmost to do the best it could in very challenging circumstances. And that was why she had what she called "strategic patience" and she planned to register those words to him. He had played an instrumental role in enabling Members to eventually reach consensus – as it had turned out, he had gotten Members to do something historic. They had elected the first woman and the first African to serve as Director-General. But more importantly to her, and she kept saying that, she thought they had elected someone with the heart, the professionalism and the passion to turn the place around.

She deeply appreciated the objectivity, professionalism and patience she had brought to facilitating the election process.

17.9. She understood that when he had assumed office a year ago, he had reminded Members of their common goals of using trade to contribute to enhanced employment, incomes, prosperity and sustainable development. He had spoken of the need to redouble their efforts and work together to achieve those goals. Members could not have imagined at the time how true his words would prove. Within weeks of his appointment, the COVID-19 pandemic had plunged the global economy into a deep downturn, undoing years of progress on poverty reduction. Now, trade had a critical role to play both in tackling the pandemic and in restoring economies to sustained growth.

17.10. Apart from his accomplishments as General Council Chair, he had also done commendable work as DSB Chair, Facilitator of the "Walker Process" and as Permanent Representative of New Zealand. In all of his efforts, he had placed the welfare of the multilateral trading system at the heart of his work. So he thanked him for his remarkable and historic contributions to the WTO. As Members looked to MC12 and beyond, she trusted they could continue to count on his unwavering support and consensus-building skills to help bridge divergences, build trust, and reach substantial outcomes for the benefit of all. So if he had thought he could escape so easily, the answer was no – he could not. She, for one, would certainly count on his support and wisdom as he took up his duties as Director-General. In line with WTO tradition, she had presented Ambassador Walker with an engraved gavel as a memento of his time as Chairman of the General Council.

17.11. The newly-elected Chairman said that it was a great honour to be appointed as the Chairman of the General Council. He thanked all Members for the confidence and trust they placed in him as he assumed that important role. He thanked the Honduran people and government, GRULAC and the members of his team in his mission in Geneva and in capital for their support. Being the Chairman of the General Council was a calling in itself. It demanded a lot from those who performed that function which was exemplified by Ambassador Walker. From COVID-19 to an unprecedented DG Selection Process where they had worked closely, he commended him for his contributions as Chair.

17.12. He committed and promised to all Members to work with dedication, to perform the duties attached to that important post of the Chairman of the General Council. He thanked the Director-General for her warm words of welcome and he was delighted to have the privilege of working with her as they were that day – starting their respective roles together. In that challenging period from seeking ways for the WTO to contribute and to address COVID-19, to prepare for MC12 and reform in the WTO, he promised to remain by her side. She could count on him every step of the way.

17.13. With everything that was going on around the world, it was their task to make the WTO do its part. Members were all equally responsible to their people and it was their duty as their representatives to the WTO to make the organization work for them. He deeply believed that if all Members worked together to achieve and overcome their objectives, they would succeed. Together with Dr. Ngozi, they would assist Members to rise up to the challenges and reach their goals.

17.14. Members had just agreed on a new date for MC12. He intended to spare no efforts to ensure that MC12 was a success and that it shaped the organization's future work and role in global economic governance. That would require the commitment, political will and the active involvement of all Members. He was committed to lead and serve the Membership the best way that he could. He would be counting on their support and looking forward to work with all of them.

17.15. The representative of Mauritius, on behalf of the African Group, thanked Ambassador Walker for all the work he had done for the Membership the past year. From afar, the African Group had admired his professionalism, patience, integrity and honesty in dealing with issues. His had not been an easy task. His had been an exceptional tenure. He had delved with the challenge of COVID-19 and had overseen the complete change in the manner in which the WTO worked. Under his tenure, a new chapter of history of the WTO had been written as they had appointed the first woman Director-General of the WTO. He had even managed to give them a date and venue for MC12 before leaving. The African Group would remember him for a long time. If he had been African, she would have said to him that he would be remembered as an elder. But she was sure the African Group could count on him as a wise man and as an elder for the WTO. He also congratulated Ambassador Castillo on his assumption of office. The African Group knew that Members were in very able hands and she assured him that the African Group would stand by him throughout his term.

17.16. The representative of Thailand thanked Ambassador Walker for his able leadership, integrity and professionalism during his Chairmanship which had helped ensure stability and continued functioning of the WTO during a critical and challenging juncture. She still remembered that it had been exactly one year that she had handed over the Chairmanship to Ambassador Walker and she could sense how he felt at that moment as he had fulfilled his job as General Council Chair. She commended him. He had done a very good job and, as a colleague, she was very honoured to have had the chance to work with him. Thailand also congratulated Ambassador Castillo on his appointment as the General Council Chair and reassured him of Thailand's full support. She trusted that his guidance would play a vital role in delivering success at MC12 that year.

17.17. The representative of the Kingdom of Saudi Arabia congratulated Ambassador Castillo and assured him of the support of Saudi Arabia in his upcoming role. In paying tribute to Ambassador Walker, Saudi Arabia said that the organization would remain grateful for his wisdom, neutrality and remarkable leadership leading the General Council at a crucial time. His inspiration and wisdom would continue to guide Members towards a successful MC12 under the new leadership of the Director-General hand in hand with Ambassador Castillo and under the Presidency of Kazakhstan.

17.18. The representative of India commended the outgoing Chair, Ambassador David Walker, for his exemplary work in the General Council during one of the most difficult years for the organization in recent times. The COVID-19 pandemic and the premature departure of the previous Director-General had added significant strain to his work as Chair. But he had shown through his work and deft management that no challenge was insurmountable. His leadership had been truly inspirational and educative to younger colleagues. India particularly appreciated him for his successful steering of the organization through the challenging DG Selection Process and when Members could not agree on an Acting Director-General. Dr. Ngozi could have the patent on the phrase "strategic patience" but he had certainly taught Members how to practice it. He had not allowed those constraints to impact the work of the organization and the Membership would always be grateful to him for that. India sincerely thanked him for his service to the General Council. India also welcomed the incoming Chair, Ambassador Dacio Castillo and wished him the very best for his successful tenure during a year when MC12 was likely. India looked forward to a successful MC12 under his leadership and would work with him constructively to make his tenure and WTO work during the year a success.

17.19. The representative of Jamaica, on behalf of GRULAC, congratulated Ambassador Castillo on his appointment as Chair of the General Council – especially him being a GRULAC Ambassador. He possessed a wealth of experience in and knowledge of WTO issues and, as a result, GRULAC was confident that he would be able to serve in that post with excellence. Ambassador Castillo could count on GRULAC's support during his tenure. On behalf of the ACP, she congratulated Ambassador Castillo on his assumption as Chair of the General Council. The ACP believed that he had the requisite experience and mettle to pilot Members for the next year including to the upcoming MC12. The ACP assured him of its full support. On behalf of GRULAC and the ACP, she also thanked Ambassador Walker for his very hard work and commended him on his management of the affairs of the Council over the past year – one of the most challenging in WTO history. During his tenure along with the Troika, he had ably presided over the appointment of a new Director-General.

17.20. The representative of Sri Lanka took the floor to appreciate two good gentlemen: one outgoing and one incoming. Sri Lanka appreciated the services rendered by Ambassador Walker to the institution as the outgoing Chair. She had had many interactions with him particularly on cricket because they shared that traditional sports activity. She had the impression that he had been a very active, commendable cricket player during his younger days – as he had been practicing what he had learned during that period: patience, desire to work long hours, endurance and empathy. Those were qualities that he had inherited as a cricket player. She had felt his emotions that day very dearly because she knew that the pandemic had taken a toll on the personal lives of Ambassadors and delegates. Sri Lanka commended his remarkable services to the institution especially as they were sailing on rough weather in the lead up to MC12 – the date of which he had even managed to provide. There had been ups and downs. The Membership had experienced many turbulent times. But he had been the pillar of strength to all of them. Sri Lanka wished him all the very best but still wanted him in the institution to continue guiding Members with his wisdom and experience. In congratulating Ambassador Castillo, she noted that she had known him for almost twenty years. She was pleased that he was taking over that important position coming from another small developing country. She wished him all the very best and assured him of Sri Lanka's full support and cooperation as he conducted his role as Chair of the General Council.

17.21. The representative of Peru thanked Ambassador Walker for the excellent work that he had done when he had chaired the General Council during that very difficult period for the organization and for the world. That was also probably the most difficult period in WTO history. Peru thanked New Zealand for its generosity in having given the WTO its Ambassador for a year to lead 164 Members. He had always been there when Members needed him. Peru also congratulated the incoming Chair. Ambassador Castillo was going to represent all Members as he took on the task of preparing for MC12 and ensuring that the WTO remained operational. As the Director-General had noted, he would have the responsibility to work with Members and other international organizations to come up with responses to the major challenges that they currently faced in the multilateral trading system especially given the effects of COVID-19 so that they could facilitate rapid economic recovery. That was particularly needed for the most affected countries which included a lot from Latin America, Africa and Asia. Peru was confident that he would be able to steer the General Council in such a way that it would be able to take up those challenges – and that between then and December, Members would be able to sketch a path allowing them to arrive at MC12 prepared and poised for success. The work that he would do and the real push that he would give to the organization would mean that MC12 would give Members the results that they so much needed.

17.22. The representative of Singapore congratulated Ambassador Castillo on his appointment as the new Chair of the General Council. Singapore was confident that he would steer the General Council with skill and wisdom as the WTO confronted the challenges ahead and in the run up to MC12. He also put on record Singapore's appreciation to Ambassador Walker for the adroit manner in which he had discharged his responsibilities as Chair of the General Council – especially in the face of the challenges brought about by the COVID-19 pandemic. Throughout that period of unprecedented challenges, Ambassador Walker had displayed wisdom and impartiality especially in the DG Selection Process. Above all, he had demonstrated a deep passion for the WTO. Singapore echoed Ambassador Walker's heartfelt plea that, as they moved ahead with the new Director-General and the new General Council Chair, it was up to them as Members to ensure that the WTO remained relevant and ready to respond to the challenges of the post pandemic global recovery and the fourth industrial revolution. He suggested that the General Council installed a roll of honour to recognize the contributions of all the past Chairs of the General Council. It was a small but meaningful gesture to acknowledge their hard work, their sacrifices and their contributions.

17.23. The representative of Pakistan welcomed Ambassador Dacio Castillo to that honourable position and looked forward to working with him. Pakistan then thanked Ambassador Walker for his stewardship and stellar contribution to the system during his tenure as Chair of the General Council. He had presided over many important events and had steered the ship in difficult times especially during the absence of a Director-General. Throughout that time, Members had found Ambassador Walker to have played a fair and judicious role in fulfilling his responsibilities and, among other things, for having a very keen ear. He had set high standards of righteousness and integrity at the WTO. Pakistan placed on record its deep appreciation for Ambassador Walker and his work as Chair of the General Council and hoped to continue to gain from his wisdom.

17.24. The representative of Chad, on behalf of the LDCs, had had the genuine pleasure of working with Ambassador Walker on the challenges facing the WTO. He was an excellent listener and had demonstrated wisdom and patience. His deep respect for multilateralism and the WTO, his diplomacy and all his other great skills had made it possible for him to be a successful General Council Chair. He had made it possible for the WTO to achieve good results as evidenced by the successful conclusion of the DG Selection Process. The LDC Group commended Ambassador Walker for the immense work that he had done and was grateful for his significant contributions during his term. As had been said by the Director-General, Members needed his expertise, experience and skills. The LDCs wished him all the best in his future endeavours. The LDC Group also congratulated the incoming Chair, Ambassador Castillo, and wished him all success in that task. He could count on the support of the LDC Group so that he could carry out his task which came at a very important time in the life of the WTO – including the holding of MC12. As Ambassador Walker had said, it was incumbent on all Members to do the very best they could to make the most of that opportunity under the leadership of the new Director-General to make sure that the WTO remained at the heart of the multilateral trading system – a system which was reactive, robust and responsive to all.

17.25. The representative of Guatemala, on behalf of El Salvador, Guatemala, Honduras, Panama and the Dominican Republic, associated with the statement by GRULAC and thanked Ambassador Walker for his tireless efforts and his excellent work done during a very difficult period as the world had to cope with the pandemic. They welcomed the new Director-General and wished her every

success in her new position. They likewise congratulated the incoming Chair, Ambassador Castillo, and pledged their support as he performed his new duties in the General Council. His appointment was a significant one for SVEs and for Latin American countries. He was the first Chair of the General Council in the WTO to come from the SVEs Group. Given that he was extremely competent to handle all of the challenges the WTO was facing that year, they knew that he had a tough road ahead particularly in the lead up to MC12 and in reforming the organization in order to adapt trade to the 21st century. Together with the Director-General, they were confident that he would rise to those challenges. They had previously raised several concerns in various areas of WTO work and knew that those would be addressed by both of them. They therefore pledged their support and good will to both the new Director-General and the new General Council Chair.

17.26. The representative of Cambodia congratulated Ambassador Castillo on his appointment as the Chair of the General Council and believed in his able leadership to steer the General Council to achieve outcomes especially at MC12. Cambodia extended its sincere thanks and appreciation to Ambassador Walker for his efforts and leadership. Cambodia commended his excellent work – in particular by facilitating the DG Selection Process and the Appointment of WTO Chairs in a transparent and inclusive manner. Cambodia likewise thanked all outgoing Chairs for all their efforts and wished incoming ones all the best as they assumed their respective roles.

17.27. The representative of Barbados congratulated Ambassador Castillo on the assumption of his role as the Chair of the General Council. Barbados was pleased to work with him and knew that his vast experience and skills in the multilateral trading system would lead Members even further and Barbados pledged its continued support in the road ahead. Barbados also paid a special tribute to Ambassador Walker for his tenure in the Chair. That was not an ordinary statement that he was making as it was being delivered in one of the most unprecedented times in the WTO. It was one where it should be said that Ambassador Walker in the toughest of times had been the rock and the anchor of that great organization. During his time as the DSB Chair, the Walker-led process had given Members a glimpse to his genius on the road ahead that he would lead them all through. It was therefore no coincidence that during the historic moment in the advent of the 25th anniversary of the organization where the WTO was facing the worst pandemic of a generation, the departure of a Director-General and the election of a new one, while preparing for a Ministerial Conference, that Ambassador Walker had been at the helm. He had provided clarity, leadership, flexibility, patience, creativity and openness. It had however been during the DG Selection Process that his true mettle and grit had been seen at its best. He had proven without question that he was one built upon the principles of integrity and uncompromisingly so regardless of the circumstances and the pressures brought to bear. And Members now had the new Director-General. That for him was what he would always remember about Ambassador Walker's tenure. If there ever had been a "Spirit of the WTO Award" it would certainly have to be named after Ambassador Walker. Records should reflect that Ambassador David Walker of New Zealand had been the architect and titan who had led Members through the WTO's transition year. Barbados committed to ensuring that history paid true homage to his great contributions starting with a public piece in the media of Barbados and further afield.

17.28. The representative of Botswana congratulated Ambassador Castillo on his appointment as Chair of the General Council and pledged its full support during his tenure. Botswana also congratulated Dr. Ngozi Okonjo-Iweala on her appointment as Director-General and pledged its support to advancing the work of the WTO under her leadership. But that moment was about the outgoing Chair, Ambassador Walker. Botswana paid tribute to him for his efforts and stewardship of the General Council during what had been a truly challenging year. Faced with an unprecedented COVID-19 pandemic, he had overseen the DG Selection Process in a fair, transparent and calm manner that she could personally vouch for during her coordination of the African Group in 2020. She also expressed gratitude to all Members for the confidence they had placed in her to take up the role of Chair of the Trade Policy Review Body – something she would not take for granted.

17.29. The representative of Cameroon congratulated Ambassador Castillo for his appointment as Chair of the General Council. Cameroon was convinced that his wisdom would guide Members towards a successful MC12. He had shown a sense of honesty and professionalism. Cameroon had no doubt that his skills would be helpful. It was likewise important that Cameroon expressed its deep appreciation for the outgoing Chair, Ambassador Walker. Over the last twelve months, Members had experienced difficult times yet Ambassador Walker had shown professionalism and commitment to the organization. He had navigated them through troubled waters and had done so successfully as they moved forward together. Cameroon therefore thanked him for all his hard work and was certain that his wisdom would continue to guide the organization in the years to come upon meeting new

challenges. Cameroon also assured Ambassador Castillo of its support as he fulfilled his mandate as General Council Chair and had full confidence that all of his efforts in conducting his new role would be crowned with success.

17.30. The representative of Honduras joined others in welcoming Dr. Ngozi Okonjo-Iweala to the WTO and her wished her the best. Honduras stood ready to work with her. Honduras also expressed its deep gratitude to Ambassador Walker. His hard work and impeccable leadership and dedication as General Council Chair during the past year had led Members to safe harbour during one of the most challenging moments for the organization. Honduras congratulated Ambassador Castillo on being appointed as Chair of the General Council. It was of great pride that Honduras, his country, saw him take on that mandate. Honduras wished him every success in meeting the objectives set for the year. He could count on the unconditional support of Honduras.

17.31. The representative of Bangladesh congratulated Ambassador Castillo for assuming the Chairmanship of the General Council. Knowing his brilliant career and proven leadership quality as the Permanent Representative of Honduras, Bangladesh was certain that he would do a great job and deliver the best for the General Council particularly in a year when the Ministerial Conference was just around the corner. Bangladesh also placed on record its deep appreciation for the outgoing Chair, Ambassador Walker. He had done an excellent job and had steered the General Council at a trying time for humanity due to the devastating pandemic. He particularly admired him for the role he had played in the DG Selection Process. It had not been easy, but, as others had said, his wisdom, patience, professionalism and integrity had helped Members through that arduous process. Being relatively new in the WTO, he had not had the opportunity to talk about cricket with him unlike his Sri Lankan colleague. But he hoped that he would have that chance one day. Bangladesh also congratulated all elected office bearers of various bodies and wished them full success in their respective responsibilities. Bangladesh assured them of its full cooperation.

17.32. The representative of China congratulated Ambassador Castillo for assuming office as the new General Council Chair. He was not facing an easy year ahead. China hoped Members could complete as many tasks as possible under his capable leadership. He could count on China's full support in that regard. China thanked Ambassador Walker. He had led the General Council through the most difficult times of the multilateral trading system which deserved the great applause of the entire Membership. The emotional remarks he had made had impressed Members a lot. Likewise, the historical contributions he had made would be remembered by all. It had not been an easy year but he had shown quite a sense of duty with a lot of work involving so much of his efforts. China thanked him for his tireless, professional and impartial work in the past year such as the appropriate arrangement of meetings under the pandemic, the consultations for MC12 date and venue and most importantly the DG Selection Process. He had put the Chair's hat more than his New Zealand's hat and had served the best interest of the entire Membership. His great efforts had strengthened Members' confidence in the WTO and had enhanced their firm belief in multilateralism.

17.33. The representative of Nigeria congratulated Ambassador Castillo on his appointment as the new Chair of the General Council. Nigeria wished him all the best and assured him of its support. In paying tribute to Ambassador Walker, Nigeria said that he was a great man. He had made a lot of sacrifices by devoting his time and energy in contributing immensely to the development and working of the WTO and by extension to the multilateral trading system. Every Member had witnessed his great performance, dedication, leadership and patience. He had exemplified hard work and integrity and he had facilitated in putting the institution back on track with a leader. Nigeria wished him all the best and congratulated all the newly elected office holders.

17.34. The representative of the Philippines expressed its profound appreciation to Dr. David Walker, the outgoing Chair. It was a double privilege and honour for him to be able to collaborate with Ambassador Walker through two mandates at the WTO. He recalled his expertise and professionalism as Chair of the CoA SS back in 2009. More recently, he had helped Members with the Walker Process as DSB Chair. The work of that process was going to help guide them in resolving the issues on the Appellate Body. He echoed his colleagues' appreciation for his shepherding the Membership during that crucial year of the pandemic and the DG Selection Process. The Philippines looked forward to his continuing guidance as a senior adviser and to his well-deserved relaxation after a gruelling year as Chair. The Philippines also congratulated Ambassador Castillo for being the new Chair. With his most senior position at the WTO with the longest service as Ambassador, the Philippines looked forward to his continuing guidance and leadership in that very crucial year towards MC12. The Philippines again welcomed Dr. Ngozi and trusted that together with the General Council

Chair, the Director-General would exercise her cautious, prudent leadership to lead Members to a successful MC12.

17.35. The representative of South Africa congratulated Ambassador Castillo on the assumption of his new responsibility. South Africa would work constructively with him as Members prepared for MC12. South Africa also congratulated Ambassador Walker for a sterling job in steering that ship under turbulent waters. South Africa appreciated his efforts and the manner he had dealt with very challenging issues in very challenging times. South Africa said, "well played innings" and thanked him for his dedication and hard work. South Africa also congratulated all the office bearers for 2021.

17.36. The representative of Chinese Taipei echoed other colleagues in thanking Ambassador Walker for his professionalism, patience and great contribution in the past year as Chair. All Members would agree and had witnessed what the Director-General and other colleagues had just mentioned that he had had remarkable and historical achievements in the WTO during the most challenging period caused by the pandemic. Chinese Taipei also congratulated the new Chair, Ambassador Castillo. Chinese Taipei looked forward to his leadership and guidance in the coming year and would be ready to support his work and to cooperate with him in the coming year.

17.37. The representative of Turkey congratulated Ambassador Castillo and reassured him of Turkey's full support. Turkey was looking forward to working closely with him. Turkey also thanked Ambassador Walker for his outstanding leadership, integrity and wisdom in leading the General Council during the most critical period of the WTO. His professionalism and determination had helped Members to overcome several challenges. His dedicated service, determination and current perspective had inspired the entire Membership. He applauded that with all his heart. The Membership and the organization would be in his debt.

17.38. The representative of Malaysia expressed its sincere appreciation to Ambassador Walker for his leadership and professionalism as the Chair of the General Council. 2020 had been a challenging year for all. Malaysia appreciated him for his hard work and contributions to the multilateral trading system. Malaysia also conveyed to the new Chair, Ambassador Castillo, its full support in particular in the work leading up to MC12. A lot of work needed to be done to ensure success at MC12, to find the appropriate landing zone and common understanding.

17.39. The representative of Canada said that Ambassador Walker had already heard him express Canada's thanks to him in a more private setting. But he repeated it in a more concise way by saying "well done" and by thanking him for his excellent guidance during a very challenging time. Likewise, Canada could not be more pleased and prouder to see Ambassador Castillo on the Chair. He could count on Canada's support as he performed his new duties. Canada looked forward to his leadership and guidance in 2021.

17.40. The representative of Nepal congratulated Ambassador Castillo for assuming his new role as the Chair of the General Council in an important period where Members had to conclude MC12 with some tangible outcomes. Nepal wished him all the best for a successful tenure. He could count on Nepal's full support. Nepal also extended sincere gratitude to Ambassador Walker for the immense role he had played during the most challenging period ever – 2020 – handling the critical situation with diverse views of the Membership and facilitating the DG Selection Process, among others, had not been easy. But he had concluded them in a successful manner and had finally set a date and venue for MC12. The WTO Family would remember him for his great contributions.

17.41. The representative of Oman congratulated Ambassador Castillo and wished him every success. He could count on the full support of Oman. Oman also expressed its deep appreciation to Ambassador Walker and thanked him for his tireless efforts during a very difficult and challenging time. His wisdom, patience, professionalism and dedication would always be remembered.

17.42. Ambassador David Walker (New Zealand), outgoing Chairman of the General Council, congratulated Ambassador Castillo again and looked forward to working with him. He also thanked the Director-General for the very kind words and for the gavel which he would always treasure. He extended his gratitude to all Members for their very kind words. They were much appreciated. As many of them had noted, it had been a time of great personal tragedy for colleagues and also for far too many of their people and that continued. As they were there that day and moving forward,

he called on Members to really seize that opportunity, that moment, to work with their new leadership in all their honour.

17.43. The newly-elected Chairman thanked all delegations for their kind words including those from Ambassador Walker. He hoped that he was going to be able to fill the shoes he had left behind.

17.44. The General Council took note of the statements.

ANNEX 1**STATEMENT BY DR. NGOZI OKONJO-IWEALA DURING HER FIRST MEETING OF THE
GENERAL COUNCIL AS WTO DIRECTOR-GENERAL**

Excellencies, Ladies & Gentlemen, Good morning.

I am delighted to be with you in Geneva even if circumstances do not yet permit all of us to meet in the same room. Let me at the outset express my gratitude to our Chair, Ambassador Walker, incoming Chair Dacio Castillo and Ambassador Aspelund for their hard work and persistence in getting me here.

As I take office as DG, I want to thank you Members once more for the kind wishes and support many of you expressed two weeks ago when you made history by electing me. The large number of delegations (91 in all) that spoke is unprecedented and speaks to the desire of all for a fresh start.

Let me specially thank the four DDGs Messrs. Yonov Agah, Mr Karl Bruner, Mr Alan Wolff, and Mr Yi Xiaozhun for ably holding the fort since September. I know this was not easy. Let me also thank the management and staff of the Secretariat for their warm welcome, their enthusiasm and desire to see things done differently.

I remain honoured and humbled by the confidence Members have placed in me. I will bring all my knowledge, passion, experience and persistence to the task at hand, reforming the organization and achieving results.

I am conscious that expectations are high and shall do my utmost to move us forward. However, this is a membership driven organization so I cannot do it without you, I cannot do it without the cooperation of staff and management. What we are involved in is a tripartite partnership. Each partner has to play its part if we are to get results. High expectations of my leadership also means that I have high expectations of you to help me deliver.

I have said it. It cannot be business as usual. We have to change our approach from debate and rounds of questions to delivering results. Excellencies, many of you put in long hours and a great deal of effort to do good work much of which goes unnoticed. There are excellent people in the capitals doing good work. We have talented staff in the Secretariat. But the world is no longer cognizant of this, does not recognize the effort because we are not delivering results at the pace required by our fast-changing environment. Last week at the TNC, several Ambassadors said that You Excellencies talk past each other. You don't talk to each other. This approach has to change. We have to be more accountable to the people we came here to serve — the ordinary women and men, our children who hope that our work here to support the MTS, will result in meaningful change in their lives, will improve their standard of living, and create decent jobs for those who seek work.

Excellencies, coming from the outside I have noticed that the world is leaving the WTO behind. Leaders and decision makers are impatient for change. Several Trade Ministers said to me that if things don't change, they will no longer attend the Ministerial because it is a waste of their time. I have noticed that more and more of the work and decision making that should be undertaken at the WTO is being done elsewhere because there is an increasing loss of confidence in the ability of the WTO to produce results. But there is hope. If we all accept that we can no longer do business as usual, that will help us create the parameters for success.

A few days ago, I listened carefully over a 6-hour time period to all 56 statements of delegations at the TNC and I analysed the priorities that were repeatedly being put forward. They were virtually identical to the priorities I set out in my acceptance speech two weeks ago. Delegations want the WTO to contribute more meaningfully and faster to a resolution of the COVID-19 pandemic both the public health crisis as well as economic recovery. Delegations want the Fisheries Subsidies negotiations concluded. They want Reform of the Dispute Settlement System including Restoration of the Appellate Body. They want action on Agriculture, on market access, Domestic Support, existing mandates such as PSH, SSM and Cotton. They also want action on industrial subsidies to SOEs and SDT. Without neglecting the questions raised on the legal status of JSIs, delegations want forward movement on JSIs especially e-commerce, Services Domestic Regulation, Investment Facilitation, and MSMEs. There is a desire to enhance dialogue and action on women in trade.

Delegations recognize that the issue of Trade and Environment/Climate Change is key and want forward movement on this. Least developed countries emphasized issues of specific interest to LDCs that would lead to enhancing their growth and development including the need for Special and Differential Treatment, Services Waiver, Preferential Rules of Origin etc. and also review of issues related to graduation. Small and Vulnerable Economies (SVEs) emphasized the need for attention to their vulnerability and special status. Virtually every delegation mentioned the urgency and importance of MC12 and all actions were to be concluded at or by MC12 in December. MC12 gives us a timeline but I want to caution against loading too many expectations into MC12. We want a recipe for success not failure. Therefore, we must work hard to complete a few deliverables before MC12 so that Ministers can focus on ratifying agreements and agreeing best methods for implementation. In this regard, we need to prioritize action on COVID-19 both for the immediate and longer term and focus on completing Fisheries Subsidies negotiations before the middle of the year. We must agree the road map for reform of the Dispute Settlement System and prepare a work program to achieve this which can be endorsed at MC12. On Agriculture, let us identify a few things we can deliver such as PSH, SSM, Cotton, and the WFP Humanitarian waiver which is material to our Pacific Island economies as we heard a few days ago. We must put forward a subsidies work program both on domestic support and industrial subsidies which can be agreed on at MC12. We must sharpen our approach to SDT bearing in mind how crucial this is to the policy space of Least Developed Countries in particular. For the rest, let us review the work on e-commerce, investment facilitation, Services Domestic Regulation, MSMEs, Women in Trade, and Trade and Climate to see what aspects of these important work programs we can advance at MC12. So in short, I am suggesting three or four clear deliverables finalized before MC12 and work programs for the rest to be agreed at MC12.

Permit me Ladies and Gentlemen to spend just a little time on COVID-19. We have a demand for a TRIPS waiver by a growing number of developing countries and the dialogue is intensifying. Whilst this is happening, I propose that we "walk and chew gum" by also focusing on the immediate needs of dozens of poor countries that have yet to vaccinate a single person. People are dying in poor countries. We just had our first COVAX shipment to Ghana last week and others will follow but it will not be enough. There is serious supply scarcity and some countries are out bidding COVAX and diverting supplies. The world has a normal capacity of production of 3.5billion doses of vaccines and we now seek to manufacture 10billion doses. This is just very difficult, so we must focus on working with companies to open up and license more viable manufacturing sites now in emerging markets and developing countries. We must get them to work with us on knowhow and technology transfer now. There will soon be a world manufacturing convention where we can seek to build this partnership. I also hope we can initiate a dialogue and information exchange between us and representatives of manufacturers associations from developing and developed countries. Excellencies, this should happen soon so we can save lives. As I said at the beginning, this will be an interim solution whilst we continue the dialogue on the TRIPS waiver.

Excellencies, Ladies and Gentlemen, forgive me for taking so much of your time but we have absolutely not a moment to lose because time is short. To kick this delivery approach off, I propose to meet with you individually and in groups starting this week. I want to listen, brainstorm, map out how I can assist to get us the deliverables outlined above. My office should be contacting you soon if they have not already done so. Let me conclude again by saying Thank You and Look Forward to working with you.

ANNEX 2

STATEMENT BY DEPUTY DIRECTOR-GENERAL ALAN WOLFF – CHAIRING THE MEETING AND REPRESENTING ALL DEPUTY DIRECTORS-GENERAL AND REPORTS BY THE CHAIRS OF THE NEGOTIATING GROUPS AT THE INFORMAL TNC AND INFORMAL HODS MEETINGS HELD ON 25 FEBRUARY 2021⁶

STATEMENT BY DEPUTY DIRECTOR-GENERAL ALAN WOLFF - CHAIRING THE MEETING AND REPRESENTING ALL DEPUTY DIRECTORS-GENERAL

Good morning. Welcome to the first informal TNC and informal HoDs meetings of 2021 -- a year which will we trust be brighter for the world and specifically for the WTO.

Today's meeting is an opportunity to take stock of what has been accomplished while interim arrangements were in place, and to update each other on activities in recent months. I recall that at the special General Council meeting of 15 February, Members extended the interim arrangements through 28 February. This meeting is also an opportunity – ahead of Monday's General Council – to discuss ways forward.

Our plan is as follows.

- First to give a brief introduction to herald the beginning of a new era for the WTO under the leadership of a new Director-General.
- Second to call upon the negotiating chairs who have reports to give to speak.
- Third, to give a brief report on Secretariat and Members' activities during the last six months, the interim period since the previous Director-General left office, and
- then to open the floor for delegations' statements.

The Ngozi Okonjo-Iweala Era

The landmark event of the last six months was the appointment of the new Director-General ten days ago after what turned out to be a lengthy process. 91 Member delegations spoke last week, at the special General Council, to congratulate the new Director-General. The DDGs and the Secretariat join you in welcoming Dr Okonjo-Iweala's appointment with great enthusiasm.

Of course, Member enthusiasm, optimism and hope need to be translated into concrete action.

There is much that needs to be done at this critical juncture for the WTO. World trade must contribute to a more effective pandemic response as well as a strong and sustainable economic recovery. Climate issues are demanding more urgent attention. WTO reform is overdue, having been called for repeatedly by you, by ministers and by many heads of government.

The challenges are many but so are the opportunities. Dr. Ngozi's remarks at the Special General Council meeting last Monday, subsequently circulated to delegations in document JOB/GC/250, presented a worthy and ambitious agenda for the Members of this organization:

What did she say?

- To act with a sense of urgency to assist in controlling the COVID-19 pandemic through the nexus of trade and public health:

First, by playing a more forceful role in exercising the WTO's monitoring function. Part of this would involve encouraging Members to minimise or remove export restrictions

⁶ Also issued as JOB/TNC/90.

that hinder supply chains for medical goods and equipment. WTO monitoring suggests that as of yesterday, 59 Members and 7 observers still had pandemic-related export restrictions or licensing requirements in place, mostly for personal protective equipment, disinfectants and to a lesser extent, for medicines and food. This represents a significant level of rollback compared to the 81 Members and 10 observers that had implemented such measures over the past year. A welcome development - but there is much room to improve this record.

- And second, by broadening access to new vaccines, therapeutics, and diagnostics by facilitating technology transfer within the framework of multilateral rules.

Beyond these immediate responses to the pandemic, Dr Ngozi set out a number of other, also vitally important, challenges:

- To swiftly conclude the fisheries subsidies negotiations, and thus pass a key test of the WTO's multilateral credibility while contributing to the sustainability of the world's oceans.
- To build on the new energy in the multilateral trading system from the joint statement initiatives attracting greater support and interest, including from developing countries.
- To address more broadly the nexus between trade and climate change, using trade to create a green and circular economy, to reactivate and broaden negotiations on environmental goods and services, to take the initiative to address the issue of carbon border adjustments as they may affect trade.
- To level the playing field in agricultural trade through improving market access and dealing with trade distorting domestic support, exempting from export restrictions World Food Programme humanitarian purchases.
- To strengthen disciplines on industrial subsidies, including support for state-owned enterprises.
- To defuse the divisions over Special and Differential Treatment (SDT).
- And to develop a work programme for restoring two-tier dispute resolution, to be agreed no later than MC12.

I sense from my discussions with Members that you chose this leader, Ngozi Okonjo-Iweala, because she has shown herself during her career to be fearless in the face of daunting challenges – and is experienced in knowing how to work with others to make progress toward solutions.

Each of the challenges the WTO faces, I am sure, can be met and overcome. Echoing Dr. Ngozi's words, the trading system that we inherited, now only three-quarters of a century old, is about people. This is inscribed in the opening section of the Marrakech agreement: "to raise living standards, ensure full employment, increase incomes, expand the production of and trade in goods and services, and seek the optimal use of the world's resources in accordance with the objective of sustainable development."

I wish to take note of the thanks many of you expressed to the 4 Deputy Directors-General in your statements welcoming Dr. Ngozi at last week's meeting. We take that always as words of thanks for the Secretariat as a whole, our Directors and their professional and administrative staff, who bring great experience and talent to the tasks that lie ahead, as well as to the DGO members whom we asked to continue to serve during this period. I also recognize the General Council chair, Ambassador David Walker, who has during these past six months always been available to the four DDGs, even during the intensive DG selection process.

Bringing these opening remarks to a close, we turn to the reports of the Chairs of Negotiating Bodies who wish to speak at this meeting.

At our December meeting, Members said they were looking to a rapid start in 2021.

It is therefore not surprising that since January, there has been a high level of activity across different strands of Members' work.

In preparing for today's meetings, and in accordance with consultations with the GC Chair, my colleagues and I held a virtual meeting of Negotiating Group Chairs on Tuesday – the 23rd of February.

A number of Chairs informed us that they had resumed work in various configurations. Some highlighted their plans for the months ahead, including with the new TNC Chair and in light of MC12.

The Chairs whose groups have seen developments since January will now report to you.

- The first on my list is, not surprisingly, Ambassador Santiago Wills (Colombia) – Negotiating Group on Rules. Ambassador Wills, you have the floor.
- Ambassador Gloria Abraham Peralta (Costa Rica) – Special Session of the Committee on Agriculture;
- Ambassador Kadra Ahmed Hassan (Djibouti) – Special Session of the Committee on Trade and Development.
- Ambassador Alfredo Suescum (Panama) – Special Session for the Council for TRIPS.

Thank you all for your reports and for your tireless efforts in assisting Members to advance their work. What is clear from each of your reports is that we need more substantive engagement from Members – less repetition of long-held views, and more willingness to find ways forward.

Secretariat activities

I will now provide a few highlights of Secretariat activities during the past few months.

In these unusual times, faced with the pandemic, the first responsibility of the Secretariat was to safeguard the health of Members and Secretariat staff while keeping the WTO and its functions running. To our knowledge, there have been no on-site transmissions of COVID-19 for which we are very thankful. Staff presence in the WTO buildings has been kept to a minimum following the guidelines of the Swiss authorities.

There have nevertheless been some serious illnesses among Missions and the Secretariat. Loved ones have been lost. I wish to convey our heartfelt condolences to all who have lost a relative, a friend, or a colleague.

Due to the current health precautions, there are now no in-person WTO meetings. Only a few took place, in consultation with the Swiss authorities, that is, during the last half of 2020 and so far this year up to and including this meeting. The lack of in-person meetings has not meant that activities ceased. On the contrary, the Secretariat and Members moved into a higher gear:

- Intensive monitoring continued to keep members up to date on trade measures, both trade-restrictive and trade-facilitating.
- Nearly two dozen information notes have been circulated since last April, downloaded in total over 300,000 times. Ranked by the those down-loaded most often, were:
 - E-commerce, trade and the COVID-19 pandemic;
 - Trade in Medical Goods in the Context of Tackling COVID-19;
 - Export prohibitions and restrictions; and
 - Trade in Services in the context of the pandemic

The most recent note, issued in December, is entitled Developing and delivering COVID-19 vaccines around the world: An information note about issues with trade impact.

With the information provided from monitoring and information notes, Members were in a position to make better-informed decisions.

During the six-month interim period, through mid-February, Members held 417 meetings. These included meetings of the General Council, the Dispute Settlement Body, the Trade Policy Review Body, and the Councils for Trade in Goods, TRIPS and Trade in Services, other WTO committees, the Joint Statement Initiatives and 106 meetings of dispute settlement panels. In short, Members were highly active.

Trade Policy Reviews were held for Zimbabwe; Thailand; Indonesia; Macao, China; India; Nicaragua; and Myanmar.

A flagship annual market access study was produced to track developments in LDC trade during the pandemic. Studies were prepared on the utilization of trade preferences by LDCs.

Despite there being no in-person training and technical assistance, the WTO's Institute for Training and Technical Assistance held 20 national activities, 12 regional and one global activity. This does not count the technical assistance of many of the other WTO divisions.

Internship and young professional programs continued.

During the interim period, each month there were an average of 38 meetings of dispute settlement panels and arbitrations – that's each month. There was no slackening of activities among the panels in dispute settlement - with four new cases brought, three new panels composed and five panel reports issued. Virtual meetings of panels had up to 60 participants when third parties were present.

The TBT Committee received 1800 notifications, with Members discussing 160 specific trade concerns. The e-agenda platform allowed an intensification of work, and the number of ePing subscribers crossed 13,000. Training events on standards continued across all regions.

Over the last 6 months, there has been considerable engagement by Members on trade and environment issues. A high-level event co-hosted by the WTO and UNEP had 282 participants on Zoom, and received over 6,600 views with much public engagement, including across WTO social media channels. Two new Member-led initiatives were launched: a Trade and Environment Sustainability Structured Discussion (TESSD) – and an Informal dialogue on plastics pollution and environmentally sustainable plastics trade. The Secretariat has also been very active in organizing trade and environment training and participating in capacity building events.

Of course, clearly, the most noteworthy activity was the DG selection process. Due to the pandemic, it was conducted through very carefully choreographed in-person meetings with the General Council Chair, Ambassador David Walker, and the two facilitators, Ambassador Dacio Castillo and Ambassador Harald Aspelund.

Last, but not least, the CBFA gavelled in a budget for 2021, providing a measure of certainty in what looked like uncertain times.

DDG Activities

In addition to being responsible for the divisions reporting to them, the four DDGs acted on administrative matters that would normally be referred to the Director-General. I can report that this process worked smoothly and collegially.

We led efforts to prepare for the transition, with detailed briefing of the incoming Director-General.

In January, I represented the WTO at the traditional informal ministerial gathering on WTO issues hosted by Switzerland every January, this time online, rather than in Davos. My very brief remarks and the Chair's summary were posted on the WTO's website. Ambassador Chambovey will report on the meeting.

My other speaking engagements included addresses to Agriculture Ministers at the Global Forum for Food and Agriculture (GFFA) in Berlin, as well as to Chatham House in London and the Washington International Trade Association – all the texts are posted on the WTO website.

My colleague DDGs and I have also maintained contacts with Ambassadors here in Geneva and particularly the Chair of the General Council, Ambassador David Walker.

The agenda for today's meeting

Returning to our agenda, you have heard reports from the chairs of negotiating groups. You will now hear from the coordinators of the Joint Statement Initiatives and from heads of delegation in their own right, with ideas for how bring the WTO to a new era of cooperation and accomplishment in the year ahead.

Trade will feature prominently on international policy calendars this year, well beyond our own MC12 and the UNCTAD-15 conference in Barbados. Outcomes of the COP-26 climate meeting in Glasgow, the 2021 UN Food Systems Summit, and the G20 Global Health Summit will intersect with the work we do at the WTO. Italy has indicated that it will place trade very high on its agenda for the G20 presidency in 2021. The new Director-General and her administration will no doubt lead our engagement with these processes.

Trade negotiators are judged only by the agreements that they reach, and the WTO as the venue for negotiations, will be judged in the same way. This understates the value of much of the solid work in Committees and in other configurations within the organization, as well as the prodigious output of the WTO dispute settlement system even during a more uncertain period without the Appellate Body in place. But the only way to counter this negative impression is to begin to deliver agreements, starting with fisheries subsidies, in the first half of 2021.

Closing remarks

The interim arrangements you put in place last July for these last six months are drawing to a close this weekend. We thank you for your confidence in us, and are very pleased that the term of the new Director-General is to begin on the first of March.

With that, I declare this meeting closed.

**ORAL REPORT BY AMBASSADOR SANTIAGO WILLS (COLOMBIA),
CHAIR OF THE NEGOTIATING GROUP ON RULES**

1. As I reported at the last TNC meeting in December, the Negotiating Group on Rules was unable to conclude the fisheries subsidies negotiations in 2020. Nevertheless, we have continued to work with the objective of delivering a result as soon as possible. Many things have happened since then.

2. As I had informed you at the December TNC, I did circulate a second revision of the draft consolidated document, on 18 December (RD/TN/RL/126/Rev.2), along with an addendum explaining each provision, including all of the changes made since the first revision.

3. Here I would like to recall the process by which the draft document was created and how it has evolved since the first version last June. The document is based on a range of inputs that are familiar to everyone engaged in the process – Members' written proposals, facilitators' reports, textual suggestions made in meetings, and of course our discussions of the text in plenary and other configurations, and in my consultations. With each version of the text, I have aimed at capturing the sense of the discussions on the different elements of the draft, in an effort to help the process to move forward. In an effort to help the NGR build consensus.

4. In saying so, I would like to emphasize here that in no case has any element, however presented in the text, ever purported to reflect consensus. The document remains a draft in its entirety, and a drafting change to a given provision from one version to the next is simply meant to capture how the discussion has evolved in respect of that provision. Obviously, the draft will need to keep evolving until we reach a text that all Members can live with, in its entirety, and I am pleased that our deliberations since last June indeed have allowed the text to evolve. I can only underscore that all of us will need to redouble our efforts so that the further evolutions needed to reach a full consensus take place quickly.

Since the start of the year

5. Work in the NGR resumed early in the New Year and has continued almost without a pause. We have held two week-long clusters of meetings so far, during the weeks beginning 18 January and 15 February. These clusters followed the usual pattern with time reserved for bilateral meetings organized by delegates, time for plenary meetings of the NGR and time for reporting to Heads of Delegation on the Friday afternoons. I also held two open-ended meetings on 2 February. Ambassador Didier Chambovey, in his role as a Friend of the Chair on special and differential treatment, co-chaired some of these meetings with me.

6. In addition, we each held our own consultations with many delegations. In my case, I held over 50 consultations in total and I have changed the nature of these a bit to give delegations a chance to discuss with me the issues coming up at the next set of plenary meetings.

7. The plenary meetings have addressed a wide variety of issues: from very specific issues such as whether non-violation claims could be pursued under the new disciplines ; to more general issues such as the architecture of the provisions on subsidies that contribute to overfishing and overcapacity.

Mini-ministerial

8. I should also report that, at the participants' request, I participated in the Mini-Ministerial organized by Switzerland on 29 January. At that meeting, I highlighted some key areas that need to be resolved soon including:

- the degree of deference that should be given, in the context of eventual dispute settlement, to determinations by Members of IUU fishing or the status of fish stocks; and
- what kinds of flexibilities should be allowed, in which parts of the disciplines, without undermining the effectiveness of the disciplines and their overall sustainability purpose.

9. At the Mini-ministerial, I also emphasized the urgency to conclude these negotiations as soon as possible this year, well before MC12, and asked Ministers to begin to acquaint themselves with the issues.

Letter to Ministers

10. As I foreshadowed at the Mini-ministerial, shortly thereafter I sent a letter to all WTO senior officials in charge of WTO matters, urging them to instruct their negotiators to engage in a way that seeks compromise. I have heard from some delegations that the letters were well received and their senior officials are now keeping these negotiations in mind.

What is now needed

11. There is still a lot of work to be done and, as we get closer to the finish line, the issues are becoming more difficult and progress is slowing down. I see this as reflecting that we have reached some common ground on a number of issues, such that those with remaining differences are the most difficult. On an encouraging note, everyone tells me that we need to reach an agreement as soon as possible, and everyone has said that they are ready to engage in a flexible, pragmatic and solution-oriented mode.

"What you can live with"

12. For that sort of engagement to happen, every delegation will need to be realistic – no one Member will be able to get its preferred outcome on every element of the new disciplines. After 20 years, we are all very familiar with everyone's preferred positions, and these vary quite a lot.

13. A fundamental example of this is the overcapacity and overfishing pillar which we discussed last week. As I said at the NGR HoDs last Friday, there is something of a tug-of-war where one side wants a list of subsidies that would always be prohibited and the other side wants a prohibition purely based on a sustainability standard, essentially an effects test. This tug-of-war has been going on for years and it's clear that one side will never convince the other.

14. Attempting to bridge this divide, what is now in the text is a "hybrid" approach, with a list of subsidies that are to be prohibited, qualified by a provision that would allow such subsidies subject to the subsidizer demonstrating that measures are in place to maintain the sustainability of the stocks in question. I would stress here that I am not advocating this or any particular approach. If consensus develops around another concept, that would be wonderful. But we know from our many years of discussion that both the list approach and the effects approach are rejected by some Members, so I do not see much of a prospect for a consensus emerging around either of those approaches. At the same time, I have heard several delegations at different levels of development and from different regions in the world say that the approach in the current draft would be acceptable. While there are many suggestions for how the language could be improved, and while it does not reflect any delegation's starting point, some have indicated that although it is not their preferred approach, they could live with it.

Pragmatism

15. Related to being realistic is the need for pragmatism. There are often several possible ways to draft a given outcome, and if a given outcome is close enough to what you want, perhaps it is time to recognize that, and to move on. This is precisely what I mean by "what you can live with" as opposed to "what you prefer". I fear that last week we heard views more on the "what you prefer" side.

16. In my opinion we need to be more pragmatic, and more specific. If you want something, say what it is clearly and concisely. If you oppose something, say so. When a compromise is suggested that does not work, explain why it does not work. If you do not understand what the terms of the compromise mean, suggest wording to clarify them. If you have no intention of compromising, say so and we can move ahead and refer the issue to a higher level.

Coherence of the Instrument

17. In terms of how we move forward, concretely, from where we now are, we are at a stage where our progress has slowed in part because of the interdependence of many parts of the text to other parts. Here, as I see it, the key to unblocking many pending issues is to decide, now, on the basic approach to the disciplines to be taken in the overcapacity and overfishing pillar, even if not all details are finalized. Deciding on the basic approach to this central pillar of the disciplines will provide clarity on how to resolve crosscutting issues including notification and transparency, and dispute settlement, and will also pave the way to finalizing the approach to special and differential treatment in this pillar, one of the main outstanding issues.

18. As we move toward concluding these negotiations, it will be important that we keep in mind the requirement from Ministers at MC11 that the disciplines be "comprehensive and effective", and our success or failure in this regard is not going to be judged by a WTO Committee or a dispute. Other observers in governments, international organizations and civil society are watching closely. They will see very quickly if the overall final result fails to fulfil the requirement to "effectively" constrain subsidization that harms sustainable fisheries.

Process going forward

19. This brings me to the process going forward. As I have already communicated to the NGR, the next clusters of meetings are scheduled for the weeks of 15 March and 12 April.

20. In terms of how we use our time, I have been hearing from an increasing number of delegations that it is time to shift gears again. On some outstanding issues, we seem to have reached an impasse at the technical level. Moving forward may now require decision making and more engagement at the Heads of Delegation level or higher. From last week's cluster HoDs meeting, and your active engagement in such a meeting in substantive elements and positions, I take that you are ready and eager to engage further.

21. Also, many delegates have emphasized the need to focus on the disciplines, especially regarding the overcapacity and overfishing pillar, noting as I have that this may provide more clarity on how to resolve some of the interlinked issues.

22. Furthermore, many delegations have indicated that the usefulness of plenary sessions has declined as they mainly are used for repeating well-known positions. Thus, there is a growing call for meetings in a range of different, smaller, configurations. Delegations also have emphasized the need to continue respecting the key principles of transparency and inclusiveness, and this goes without saying.

23. More generally concerning the process, as we all know, the long-awaited arrival of the new Director-General, Dr Ngozi Okonjo-Iweala, is next Monday. From what she has said on the topic, we know that she takes the negotiations on fisheries subsidies very seriously, and I am sure that all of us are looking forward to her becoming engaged to help bring these negotiations to a close. I therefore will be consulting with her as I formulate the detailed planning for our future work. That said, I will be in touch as soon as possible on the concrete next steps leading up to the next meeting cluster and the programme of work for that cluster.

24. This concludes my report. Thank you Chair.

**ORAL REPORT BY AMBASSADOR GLORIA ABRAHAM PERALTA (COSTA RICA),
CHAIR OF THE SPECIAL SESSION OF THE COMMITTEE ON
AGRICULTURE AND SUB-COMMITTEE ON COTTON**

1. I would like to focus my report today on the process since the beginning of the year and substance.
2. The CoA Special Session held its first informal meeting on 5 February, together with the dedicated sessions on PSH and SSM.
3. The **topic by topic facilitators-led process** which I initiated in October last year has resumed following the holiday break. The facilitators gave their third reports to Members at the last CoA SS meeting.
4. In addition to their bilateral consultations, facilitators have also convened and held several meetings in various formats since the beginning of the year, including open-ended meetings on Domestic Support and PSH, and small groups consultations on market access, SSM and cotton.
5. As already highlighted in the past, the facilitators' led process is intended to be a technical process preparing the ground for an overall outcome on agriculture at MC12. This process continues to be useful in clarifying different ideas put forward, as well as in enhancing the understanding of each other's positions and concerns, and in searching pragmatic ways to narrow gaps and identify options to make progress.
6. On my side, I have also resumed my consultations, participated in meetings of some groups at their request, and in the virtual Ministerial meeting convened by Switzerland on 29 January, where participating Ministers stressed again the need for a multilateral outcome on agriculture at MC12.
7. **On substance**, Domestic Support remains the topic of most interest to the Membership. Divisions, however, remain on how trade distorting should be disciplined, most notably on which categories of support should be included, and where to start from. Many ideas have been put forward and the facilitators-led technical work is ongoing. There was a constructive technical meeting on 4 February, where Costa Rica presented its work on the concept of "trade distorting potential". I count on more Members to make similar presentations to test their ideas and proposals, and to brainstorm with other Members.
8. **PSH** is another crucial topic, and many developing country Members consider it a priority issue for MC12. A first open-ended Facilitator-led meeting on PSH was held on Monday, 22 February. It was dedicated to the rationale for having PSH programmes and the scope for an outcome on this issue at MC12. There was active engagement by both proponents and non-proponents. The next meeting is scheduled to take place on 31 March and will be dedicated to notification and transparency.
9. On **SSM**, the developing country proponents have renewed their demand for an outcome in the wake of the COVID-19 pandemic based on broader food security objectives. The facilitator has been consulting both proponents and non-proponents to better appreciate their positions on SSM and to decide on the most realistic way forward. In light of those consultations, the facilitator intends to organize thematic discussions covering the various specific elements of an SSM based on Members' inputs. The facilitator-led discussions are also not immune from the political challenge posed by the linkage between market access and SSM.
10. Members continue to attach importance to pursuing reforms in the **market access** pillar. The facilitator-led process has specifically targeted the issue of transparency of applied tariffs and shipments en route which has received increasing traction among Members. Some Members have also been working on a framework of market access reforms. Recent market access discussions have, however, focused mainly on transparency elements rather than on tariff reduction modalities.
11. **On Export Restrictions**, let me recall that following the lack of consensus to adopt a draft General Council Decision in December 2020, a large group of Members issued in January a joint statement in document WT/L/1109 committing not to impose export restrictions on foods purchased

by the World Food Programme. The work is also continuing on transparency and clarification of elements.

12. On **Export Competition**, the Facilitator has continued to engage with non-proponents on transparency-related issues. In parallel, Members have been invited to explore the possibility of increasing synergies and mutual supportiveness between the negotiating process and the Export Competition-related activities undertaken in the CoA, in particular during the 2021 second triennial review.

13. On **Cotton**, the discussions have focussed on transparency-related aspects, with a technical Quad Plus meeting having taken place yesterday following the circulation of a note on transparency by the C-4.

14. Finally, some Members have pointed out that enhancing **transparency**, which is actively discussed under most substantive topics, could also be considered as a crosscutting issue in the agriculture negotiations.

15. **Looking forward**, the future decision by the General Council on the date of MC12 will define the pace of our work by Members.

16. The critical question in the coming weeks will be when and how to move from the technical facilitators-led process, which is an essential preparatory phase but requires time, to a more comprehensive negotiating phase to build convergence for an outcome on agriculture at MC12.

17. The response will partly depend on the kind of results that the facilitators-led process will produce. I am fully confident that this process will achieve its primary objective of clarifying the technical issues and allowing Members to have a better sense of possible landing zones.

18. However, political impetus and leadership, including engagement at Ambassadors' level will also be required sooner rather than later.

19. As noted by the newly elected Director-General Dr. Ngozi Okonjo-Iweala, agriculture is particularly important for many developing and least developing countries, and I think we all agree that an outcome on agriculture at MC12 is indispensable.

20. In that regard, we must get prepared to intensify work from now on.

21. I therefore wish to invite all the Members to reflect on the kind of results they expect and consider achievable on agriculture at MC12, taking into account the on-going technical work as well as the overall negotiation environment.

22. On my side, I will intensify my contacts in various formats in the coming weeks. I thank you.

**ORAL REPORT BY AMBASSADOR KADRA AHMED HASSAN (DJIBOUTI),
CHAIR OF THE SPECIAL SESSION OF THE COMMITTEE
ON TRADE AND DEVELOPMENT**

1. In line with what I had indicated at the informal TNC/HODs meeting last December, I recently launched a series of informal, open-ended meetings of the CTD SS. The purpose of these meetings, of which there will be five in total, is to explore how to move forward on the ten proposals on special and differential treatment submitted by the G-90. In each meeting, delegations are being asked to focus on two proposals, so that over the course of the five meetings, an in-depth discussion will have taken place on all ten proposals.
 2. In order to have a constructive and focused series of meetings, I have requested delegations to approach the discussion on each proposal on the basis of two questions. Delegations have firstly been asked for their views on which elements of each proposal might convergence be found. They have also been asked to consider where the difficulties lie in each proposal and why, and how could these be overcome.
 3. The first in the series of informal, open-ended meetings was held on 8 February, and focused on the proposal concerning the Enabling Clause and the proposal concerning LDC accession.
 4. Overall, I think the meeting was useful, to the extent that it allowed delegations to have a frank and open discussion on the proposals under consideration. That being said, I did not detect a significant shift in positions among delegations. Some Members once again indicated their support for the proposals, which they believe can provide a good basis for further discussion. Other Members once again expressed disappointment that essentially the same proposals that have been discussed on several previous occasions, remain under discussion in the CTD SS. The view of these Members is that there is little scope to make progress in the CTD SS on the basis of these proposals.
 5. I reiterated to Members the importance of finding a way forward in these negotiations, and in this light I encouraged delegations to work together to identify a new approach to the work in the CTD SS which would be acceptable to all. However, I also stressed that it is in the hands of Members to determine this new approach and the way forward. As Chair, I can convene meetings and facilitate as many discussions as are needed, but it is ultimately up to Members to show the necessary flexibility and political will to collaborate, so as to collectively determine how the work in the CTD SS can advance.
 6. The second in the series of informal, open-ended meetings, which will be scheduled shortly, sometime in March, will address the G-90 proposals concerning the TRIMs Agreement and Article 66.2 of the TRIPS Agreement.
 7. As we see through the four remaining informal, open-ended meetings, it is my hope that some clarity may emerge on what the next steps might be in the CTD SS. I shall also continue to reach out to Members to hear views in this regard.
 8. This concludes my intervention.
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**ORAL REPORT BY AMBASSADOR ALFREDO SUESCUM (PANAMA),
CHAIR OF THE SPECIAL SESSION OF THE COUNCIL FOR TRIPS**

1. As I announced in my last report to the TNC, on 20 and 21 January, I held individual consultations with interested delegations on how the Special Session could proceed in fulfilling its mandate. I had invited Members to consider three specific suggestions for activities or reports which were raised by Members during the past consultations held in October 2020. I will not detail those proposals here. Members will find them in my written report which will be circulated after this meeting.

2. I had also invited Members to reflect on how, when and where the other side's concerns might be addressed without necessarily conceding nor agreeing to them, and to reflect on new approaches to achieve their own objectives. During the consultations, I also asked if they had contacted the other side about how to proceed to fulfil our mandate.

3. Five delegations from the W52 Group and one from the Joint Proposal Group took up my invitation. Regarding the suggestions for the activities and the reports, some delegations variously indicated that they were ready and willing to contemplate the suggested work, albeit in some cases, depending on the timing and readiness of the topic. Others were sceptical of the benefits for the Special Session's work. One delegation thought that the suggested work would duplicate that done in WIPO and sought clarification on the objectives of the exercise. This delegation additionally expressed reservations on taking up the suggested exercises unless concerns were resolved regarding how delegations perceive the mandate of the Special Session.

4. Regarding the procedural questions, there was unfortunately, no new thinking about new approaches. Positions regarding the Special Session's mandate were also unchanged. I was disappointed that none of the delegations had engaged with the other side about any of the specific questions, though a few remarked that IP issues in general are discussed regularly between capitals. I urged them to take up the specific questions with one another here in Geneva in the context of the Special Session.

5. Regarding future steps, after reflecting on the overall situation, I plan to call for a small group consultation to explore further the suggestions for activities to reactivate our work, and then to hold an informal open-ended meeting to report on these consultations and to provide an opportunity for delegations to share on any new thoughts that they may have had on the work of the Special Session.

ANNEX 3**STATEMENTS BY MEMBERS AT THE INFORMAL TNC AND INFORMAL HODS MEETINGS
HELD ON 25 FEBRUARY 2021**

Following the General Council Chairman's statement under Item 1 of the agenda of this meeting – "Report on Informal TNC and Informal HODs Meetings", the statements made by: Switzerland; Montenegro; Brazil; European Union; Nigeria; Mexico; Morocco; Malaysia; Panama (Article XII Members); China; Norway; Hong Kong, China; Chile (Structured Discussions on Investment Facilitation for Development); Republic of Korea; Chinese Taipei; Iceland (Informal Working Group on Trade and Gender); Argentina; Australia (Joint Statement Initiative on Electronic Commerce); Jamaica (ACP); Egypt; United Kingdom; Japan; Singapore; Bangladesh; Philippines; Paraguay; Canada (Ottawa Group); Nepal; New Zealand; Turkey; Pakistan; Russian Federation; Saint Lucia (CARICOM); Ecuador; Chad (LDCs); Indonesia; Kingdom of Saudi Arabia; Republic of Moldova; Angola; Uruguay (Informal Working Group on MSMEs); Costa Rica (Joint Initiative on Services Domestic Regulation); Sri Lanka; Bolivarian Republic of Venezuela; Thailand; India; South Africa; Mauritius (African Group); Afghanistan; Fiji (Pacific Group); Colombia; Uganda; Cambodia; Cameroon; Kazakhstan; Senegal and Peru are included below as part of the Minutes of the General Council meeting. The concluding remarks of Deputy Director-General Wolff is also included at the end of this annex.

1. Switzerland

In my statement, I would like to give a summary of the Informal Ministerial Gathering on WTO issues hosted by the Swiss government on 29 January, this time in virtual format. The aim of the informal meeting was to discuss challenges facing the WTO, including ideas for reforming the organisation.

The Informal WTO Ministerial Gathering was attended by Ministers and high officials from 29 Members representing a broad spectrum of the WTO membership, including the coordinators of the WTO Least-developed countries Group, the WTO African Group, and the WTO African, Caribbean and Pacific Group.

For the information of the wider membership, I will read out the Personal Concluding Remarks by the Chair, President of the Swiss Confederation, Guy Parmelin. He summarized his impressions from the discussions as follows:

- "Ministers stressed the urgency of the swift appointment of a new WTO Director-General as well as the confirmation of the date and venue of the 12th Ministerial Conference (MC12).
- Ministers reiterated their determination to maintain a credible multilateral trading system and to restore a climate of mutual trust.
- Ministers expressed their concerns about the enormous social and economic impact of the COVID-19 crisis. They highlighted the relevance of trade and the role of the WTO in containing the pandemic and promoting recovery. Many Ministers underlined the importance of ensuring the development of as well as an equitable and affordable access to medical goods, including vaccines. They addressed ways and means to achieve these goals, including the implementation of measures facilitating trade, the role of intellectual property and transparency.
- Ministers regretted that the negotiations on fisheries subsidies could not be completed in accordance with the end-2020 deadline foreseen in SDG 14.6. In light of the significance of this process for the sustainability of global fisheries, Ministers concurred that a comprehensive and effective agreement on fisheries subsidies should be concluded as soon as possible. Ministers agreed to step up efforts with a view to finding mutually acceptable solutions consistent with all the elements of the negotiating mandate.

- Ministers highlighted the importance of restoring a fully functional WTO dispute settlement system, which is a key pillar of the rules-based multilateral trading system.
- Many participants argued for further progress in agricultural trade policy reform at MC12 and asked for an outcome on domestic support and other issues. The issues of public stockholding and the special safeguard mechanism were highlighted by several Ministers.
- Many Ministers called for tangible outcomes, by MC12, on the Joint Statement Initiatives. Inter alia finalizing the process on Services Domestic Regulation and making substantial progress on E-commerce and Investment Facilitation as well as on Trade and Women's Economic Empowerment.
- The need to reform the WTO was widely acknowledged. A number of Ministers insisted on advancing diverse issues related to the special and differential treatment of developing and least developed countries. Some participants proposed to adjust WTO rules to present-day economic and competitive conditions.
- Several Ministers supported new initiatives launched in response to global challenges such as the structured discussions on Trade and Environmental Sustainability.
- Ministers reaffirmed their commitment to engage in the preparations for MC12 in order to advance key issues."

These personal concluding remarks - made under the chair's own responsibility - have been published on the website of the Swiss State Secretariat for Economic Affairs (SECO) as well as on the WTO's website.

With this, I conclude my report on the informal ministerial gathering.

I would now like to make a few comments on behalf of the Swiss delegation.

Switzerland was inspired by the statement by the new Director-General at the Special Session of the WTO General Council. We are confident that her authority and impetus will help us to meet the many challenges we face. To be successful, we will need to engage collectively and constructively to achieve three main goals, namely:

- To conclude a meaningful agreement on fisheries subsidies as quickly as possible, as we are required to do in order to implement the SDGs;
- To restore a functioning dispute settlement system to enhance the security and predictability of the multilateral trading system;
- To contribute to the fight against the COVID-19 crisis by ensuring the development as well as equitable and affordable access to essential medical products, including vaccines.

Finally, we share the views expressed by the new Director-General on the need to adapt WTO rules to the new realities of global trade such as e-commerce and the digital economy. Equally important is ensuring that the WTO supports the green and circular economy and addresses the nexus between trade and climate change.

Initiatives emanating from joint declarations can play a critical role in this regard. They should not only deliver results at the Twelfth WTO Ministerial Meeting (MC12), in particular regarding services domestic regulation, but also to make further progress, in an open and inclusive manner, on matters of concern to WTO members.

2. Montenegro

Let me begin by warmly congratulating Madam Ngozi Okonjo-Iweala on her recent appointment as the WTO's Director-General. Given that Dr Okonjo-Iweala is the first woman and the first African to be chosen to the Organization's highest office, but also given her impressive academic and professional background and experiences, we can confidently say that this is a historic appointment to which Montenegro sincerely applauds.

The ongoing COVID-19 crisis has alarmingly demonstrated the importance of multilateral institutions, international cooperation, and solidarity for collective health, security and global economy and its growth. Despite significant limitations and blockades, multilateralism has been strongly reaffirmed as an inevitable in shaping global responses to global challenges and problems. At the same time, contemporary developments have brought to the fore the need to reform, modernize and adjust the multilateral system to the new international environment and reality. However, as it does not function in a vacuum, but depend on the political will, interests, and objectives of the member states, the changes and reforms are possible to the extent and at the speed at which they want it. All in all, international organizations must have the appropriate powers and resources to be effective in addressing the many complex problems facing the world.

The devastating effects of the acute pandemic on health and the global economy have reminded us of the crucial importance of an open, transparent, predictable, sustainable and well-functioning rules-based multilateral trading system to mitigate these consequences and boost economic recovery. To this end, we need to reform and reinvigorate the WTO to make our Organization a successful forum for negotiations, a house of agreements to be developed and respected, and a place for effective dispute settlement. While it is widely accepted that the WTO needs to be reformed, the issue of the scope, nature and sequencing of needed reforms remains open. We therefore share the view that it would be beneficial to consider the adoption of a Ministerial Declaration outlining the main directions of the Organization's reform process.

When we contemplate on way forward in the run-up to MC12, we support intensifying the work in the area of trade and health in view of enhancing the capacity of the trading system to respond to public health emergencies and to contribute to improving the resilience of supply chains; also in trade and the environment in terms of mainstreaming sustainability issues in the WTO's work; then in the reform of the dispute settlement system given its importance for the stability and predictability of the multilateral system; also in updating the WTO's rulebook and practices to make the Organization better equipped to address the common challenges we all face, such as the digital economy, environmental protection, recovery from COVID-19 - just to mention a few.

We also believe that we can make decisive progress and finalize the ongoing negotiations on fisheries subsidies, leaving MC12 as the venue to agree on modalities for the implementation of the agreement. This would be a great success that would clearly demonstrate the Organization's capability to adopt new multilateral rules on sensitive issues and to conclude multilateral agreements of vital importance.

Montenegro reiterates its support for decisive progress on Joint initiatives on E-commerce, Services Domestic Regulations, Micro, small and medium-sized enterprises (MSMEs), and Investment Facilitation for Development, with a view of concluding at least the services domestic regulation by MC12.

On this note, let me conclude by reiterating Montenegro's support for meaningful WTO's reform and our readiness to continue to constructively cooperate on the WTO's ongoing negotiating agenda, looking forward to seeing significant progress by, and at MC12.

3. Brazil

Last week we overcame together a central challenge for the WTO. We now have a new leadership. From 1st of March on, DG Ngozi's guidance will be fundamental in shaping a new agenda for the WTO reform and for MC12 later this year.

Brazil believes that there are some fundamental elements for a MC12 package, which must be present. We are ready to work and engage over these issues along this year. This is a package that, we believe, will provide the initial results we need to move the WTO away from the crisis we have

lived for so many years, a crisis that impacts the WTO in all its functions - negotiations, dispute settlement, and transparency.

We need deliverables on subsidies across all sectors, industrial and agriculture, taking into consideration the fundamental principle of market-economy conditions. In agriculture subsidies, MC12 must deliver a framework for capping and proportionally reducing trade-distorting domestic support along with a working program clearly defined for MC13. Let me be absolutely clear and transparent here: the absence of an outcome in agriculture is a redline for Brazil.

MC12 should lead to the conclusion of fisheries. We will present our ministerial draft on sustainability and fisheries at the General Council and we hope that all Members will agree that sustainability is a vital element of the fisheries package.

The conclusion of the investment facilitation, domestic regulation, and MSMEs negotiations should also be a part of MC12. We can also show progress on e-commerce.

We need a ministerial understanding on the role and procedures of the AB. We need to restore the multilateral integrity of the dispute settlement system with a reformed Appellate Body. In the meantime, Brazil is committed to participate in the MPIA and any other arbitration. Brazil is working on a national legislation to retaliate unilaterally those Members using - in bad faith - the resource of appeals on the void in disputes we are involved.

As I mentioned at the GC meeting, we look forward to working with all Members to promote a free, fair, prosperous and dynamic international trading system.

4. European Union

Although the new Director-General is still a few days away from taking up her duties, we can already sense her presence. With the DG appointed, we can now focus on the challenging tasks that we have ahead of us.

One week ago, the European Commission has set out a new trade strategy for the EU. This strategy builds on strengthening and reforming global trade rules and includes a dedicated paper on WTO reform, which is a central priority for the EU's trade policy. Executive Vice President Dombrovskis has reached out to all WTO Ministers on the EU's agenda for WTO reform, and we look forward to working and engaging with you all.

The EU Trade Policy Review lays out our ambitions for a successful MC12, which will be key for WTO reform. We look forward to working with all Members in the coming months on key priorities including the fisheries negotiations, trade and health, trade and environment, dispute settlement reform and ongoing negotiations in the Joint Statement Initiatives.

But looking beyond MC12, the EU will continue to put forward or strongly support initiatives that address the most pressing problems WTO Members collectively face, such as tackling the effects of COVID-19, supporting environmental and social sustainability, updating the rules for digital trade, and reinforcing rules to tackle competitive distortions and promote a level playing field.

We strongly support progress in the different Joint Statement Initiatives and we would wish to discuss with like-minded countries a new plurilateral initiative on competitive neutrality, including issues such as strengthened disciplines on industrial subsidies or state owned enterprises.

The EU Trade Policy Review includes ideas on making the WTO's negotiating function more effective - including on defining mechanisms to incorporate plurilateral agreements in the WTO - and on how to reinforce the WTO monitoring and deliberating function. These institutional issues could be considered by a Working Group on WTO reform to be set up at MC12.

Moving to fisheries subsidies, I want to thank the Chair Ambassador Wills for his efforts and his report of the state of play of the fisheries subsidies negotiations.

I will not repeat my intervention of last Friday on the EU's view on the main issues. Unfortunately, the positions of the Membership remain far apart.

The EU supports working in small groups on some of the key issues, as that setting would allow more in-depth and interactive discussions and consider alternatives. Small groups, of course, need to be transparent and report back to the full membership. But we should avoid excessive requirements that would defeat the purpose. To guide our work, the Chair has the right, I would even say the responsibility, to put forward specific questions and to identify different drafting options.

Similarly, we trust the Chair's judgement on revising the texts in light of his assessment of possible compromises. Subjecting every change to unanimity would deprive the negotiating process of its vital dynamism.

5. Nigeria

Nigeria wishes to thank you and the Heads of respective negotiating Group for your respective reports. At the outset, we wish to associate ourselves with the statements delivered on behalf of the African Group and the ACP.

It is apparent that the global economy is on the path of recovery given the ongoing administration of approved COVID vaccine. It is therefore pertinent for the WTO a key institution that underpin the integration of our economies to play a vital role in ensuring post COVID participatory growth that benefits all.

Agriculture

On the ongoing Agriculture negotiations, Nigeria wishes to thank the facilitators for their ongoing works. In our view, given that MC 12 is few months away, it is highly unlikely that Members will be able to deliver on all the negotiating issues under the Agriculture file, as a result of time and other constraint. Therefore, we wish to reiterate our call for the Membership to prioritize mandated issues such as Domestic Support, SSM, PSH and Cotton negotiations for MC 12 Outcomes. These mandated issues are critical in addressing structural causes of food and livelihood security difficulties of low-income, and food-deficit countries majority of which are in Africa. Furthermore, surveys have shown that the average applied tariff in agriculture for developing countries is 14.3% in 2015 while that of Developed Countries and LDCs is 16.7% and 15.5% respectively. This implies that tariff is not a significant barrier to accessing most Developing Countries Markets.

Regarding the ongoing discussion on Domestic Support, we welcome the call by the Cairns Group for capping and reduction of the sum of current global agricultural trade and production-distorting support entitlements by at least half by 2030. However, we are of the view that not all Article 6 support are trade distorting as suggested by the proponents. There is need for us to unpack Article 6 and deal with precise elements that enable Members to substantially concentrate support in specific products. For instance, whereas both AMS and de minimis are the same types of support, it is unlikely that de minimis supports which is capped and available to all Members would be substantially concentrated in specific products. Furthermore, the idea that Article 6.2 support, a lifeline for resource poor Developing Countries producers is trade distorting is misleading. In our view, the starting point is for us to focus on levelling the playing field by addressing the existing imbalance. This entails eliminating all AMS beyond de-minimis. Regarding the issue of proportionality, we believe it is already embedded in the de minimis given that it is a function of the VOP. However, if Members feel otherwise, then proportionality should be determined in per capita terms with number of farmers as denominator. On the issue of SSM where we look forward to SSG like outcomes. Regarding PSH we look forward to an outcome that expand the product coverage with transparency and safeguard arrangements that does not pose burdensome requirements on countries undertaking these programs in a manner that makes it de facto impossible to apply.

1998 E-Commerce Work Programme

On E-Commerce, we wish to further underscore the need for us to reinvigorate the 1998 Work programme and explore ways of addressing the difficulties undermining the gains of developing countries from global digital trade. we are in support of a more structured and targeted discussions on horizontal and vertical issues regarding the trade related aspect of e-commerce under the Work programme with a view to setting an inclusive and development-oriented agenda for consideration by Ministers at MC-12. Such discussions should amongst others clarify the scope as well as address classification issues. Chair Nigeria is pleased with the progress being recorded in the ongoing open,

transparent, and inclusive discussions under the JSI on e-commerce. We are confident that the outcome will take into account our development priorities and avail us the requisite tool to unlock our digital economy potentials. We therefore call on all Members especially Developing Countries to join this initiative so we can collectively shape the discussions and deliver desired outcomes.

TRIPS

Regarding TRIPS and public health, we believe the negative impact of COVID on lives cannot be overemphasized. In our view, WTO Members have a shared responsibility to work together to ensure that intellectual property rights do not create barriers to the scaling-up of research, development, manufacturing, and supply of medical products essential to combat Covid-19. It is in this light that we co-sponsored the proposal contained in document IP/C/W/673, regarding a waiver for developing countries in this era of pandemic. The importance of this proposal cannot be overemphasized as millions of lives globally continue to be at risk due to the pandemic. Indeed, no one is safe until everyone is safe. We therefore call on all Members to support this proposal.

Fisheries Subsidies

Regarding fisheries subsidies negotiations, we like to join others in commending the NGR Chair, Ambassador Santiago on his tireless efforts during the negotiations.

However, we are concerned that a horizontal carve out on Small scale and Artisanal Fishing has not been incorporated in the revised texts despite all statements and textual suggestions made that show that small scale and artisanal fishing does not contribute to the global overfishing and overcapacity problems as distant water fishing does. We reiterate that small scale and artisanal fishing is not an SDT as this is a flexibility that will benefit all members.

Regarding the management approach that has enjoyed support by some members and presented as that which will preserve the sustainability element in the negotiations, we would like to remind members that this approach has not worked in the past as overcapacity and overfishing problems continue to exist. We therefore encourage all members to support a list-based approach without conditional provisions that may encourage circumvention of the prohibitions.

We reiterate our position that a flag state should not be part of the determining entities during IUU determinations. This duty should be the exclusive right of the Coastal State.

Finally, in line with the mandate, effective S&DT for Developing Countries should be an integral part of the outcomes of the negotiations. This will avail resource poor countries the requisite policy space to develop their fishing capacity in a sustainable manner.

6. Mexico

I thank the Chairs of the Negotiating Groups and the coordinators of the Joint Initiatives for their reports on the status of the discussions.

Although this year we will have to deal with the repercussions of the COVID 19 health crisis for trade and the world economy, we have an opportunity to reinvigorate our work at the WTO. Primarily because, as of next Monday, the new Director General of the Organization will finally take up her post, which we hope will give fresh impetus to our discussions.

It is not fair, however, nor do I mean to suggest that the DG bears responsibility for the negotiations' results, or lack thereof. This Organization is certainly member driven and therefore responsibility for success or failure is ours. But, Dr. Okonjo-Iweala's leadership will undoubtedly help to boost confidence in our work.

We are also pressed for time. The first two months of the year have already elapsed and, excluding November and the summer break, we have very little time left before the Twelfth Ministerial Conference. (MC12). Eight months, to be precise, in which to prove that our Organization is capable of delivering results and adapting to the needs of dynamic trade in the twenty first century.

In the area of fisheries, given the international commitments at the highest level and our mandate from Buenos Aires, we should not and cannot link an outcome to the Ministerial Conference. We all

have a responsibility and we must fulfil it as soon as possible. We reiterate our support for Ambassador Wills and the work programme based on small groups. We are sure that, in this manner and without reiterating positions that are all too familiar, we will be able to move forward. As Ambassador Wills rightly said, we will not get very far reiterating the same positions every year; it is time for flexibility and pragmatism in these long standing negotiations.

Despite the odds, we must reach agreement on the joint initiatives on e-commerce, investment facilitation and domestic regulation in services before MC12. As we share a common objective, we must redouble our efforts and show the necessary flexibility in this last phase of the discussions.

In this regard, we reiterate our gratitude for the work carried out by all the Joint Initiative Coordinators, as the negotiation processes have been inclusive, transparent and open. Once again, we invite those Members who are not involved in the joint initiatives to join these discussions.

With regard to agriculture, we recognize the work done by Ambassador Abraham as well as the facilitators of the specific groups. We believe that this work is helping Members to clarify their priorities and, once these have been identified, to focus on realistic outcomes for the Ministerial Conference.

Similarly, in these next eight months we must discuss what we hope to achieve, not just in terms of the negotiations, but also the political messages and guidelines to be endorsed by our ministers. We must develop precise courses of action on the issues on which limited progress has been made, such as TRIPS, services and the environment, among others, but also open the door to new disciplines that allow our organization to remain relevant, and set out clear guidelines for a process of reform for our Organization.

There is much work to be done, as well as a responsibility to the international community to discharge that requires our effort, commitment and empathy. It will also be important for our capitals to demonstrate and give effect to the political will for this Organization to make its due contribution to global economic governance and to improving standards of living in many economies.

Mexico, once again, reiterates its willingness to work together with the new Director General and the Chairs of the Negotiating Groups, the Joint Initiatives and the General Council to address these challenges.

7. Morocco

At the outset, I would like to extend my thanks to you Mr DDG and through you to all DDGs for your efforts in conducting the work of the WTO along this difficult and troubled period.

In addition, we commend the leadership of all the negotiating bodies' presidents and I thank them for their respective reports.

All Members agreed that MC12 provide a window of opportunity for the WTO. Among many issues, my delegation wish to emphasize once again, that Membership should complete the fisheries subsidies negotiations with the willingness to compromise, in order to confirm the relevance of multilateral negotiations to the outside communities.

On the fisheries subsidies negotiations, my delegation remains committed to concluding these negotiations in line with SDG 14.6. While my delegation recognises the importance of these negotiations and the need for conclusion, the process seems to be in need of more pragmatism and political willingness in order to overcome the current cleavage between developed and developing approaches.

We believe that disciplines have to deliver on all pillars of the mandate, target large-scale industrial fishing and not constrain the use of beneficial subsidies that contributed to the sustainability of fish stocks, safeguard food security and livelihoods of coastal communities, including policy space to develop their marine resources while also accommodating sustainability needs.

Consequently, S&DT had to be an integral part of the outcome. My delegation will continue to work constructively with the Chair and his Friend towards a balanced outcome that delivered on the mandate.

S&DT is one of the key principles of the WTO provided to developing countries to adjust to trade rules at their pace and in accordance with their level of development. This founding principle and right has to be preserved and remains central to address real and specific challenges facing developing countries in their quest to participate in global trade and industrialization. Morocco continue to engage constructively with a view to having a meaningful outcome on this important issue at MC12.

In other hand, the continuous impasse on the appointment of AB members has significant implications for the preservation of rights and obligations of Members. A solution-oriented multilateral process to restore a two-stage dispute settlement system and unlock the impasse in the selection process of AB members is highly needed.

In relation to the reform of the WTO, my delegation's reiterates that reform has to promote inclusivity, address historical imbalances, enhance integration of developing countries, especially in the African Continent, in global trade and deliver on the development mandate.

The TNC was established under the DDA with a view to delivering on critical issues that promote development. The DDA was not limited to the fisheries negotiations. Meaningful outcomes in agriculture and in all the outstanding issues need to be delivered. Therefore, it is critical for progress and for the WTO to contribute meaningfully to people's livelihoods, food security, sustainable development and job creation.

Development is not limited to technical assistance and capacity building. It had to underpin the development of rules in the multilateral trading system and this necessitates the recognition of differences in levels of development and the need for flexibilities to ensure that Members take commitments in proportion to their level of development.

My delegation takes for granted that at this critical time, the agriculture negotiations has become more important than ever for fair, balanced and meaningful outcomes to build sustainable and resilient agriculture sectors. In this regard, Members need to increase their effort within the framework of COA-SS meetings to the extent possible.

With relation to the discussions among the Working Group on Trade, Debt and Finance, please let me emphasize that the impending debt crisis in several low- and middle-income countries, resulting from the COVID-19 pandemic, needs a quick and effective response by reducing debt pressure and reforming its international architecture.

In this regard, Morocco calls on the international community to show solidarity in supporting national recovery strategies. We pleads for a multilateralism of responsibility, which can nourish the WTO actions through concrete and results-oriented initiatives.

To conclude, as Members succeeded to the selection of a new DG, advancing these issues to the extent possible would have an impact on WTO's effectiveness especially in the economic recovery period.

Morocco's hope is that Members continue to engage them in a result-oriented fashion. Members has always said that the WTO is a "Member-driven" organization. They need to back this notion with their actions by trying to secure convergence on realistic outcomes. This would provide a sense of direction for the new DG and show that Members valued the WTO as the corner stone of the rules-based multilateral trading system.

8. Malaysia

We begin our 2021 with both progress and challenges. Malaysia appreciates Members' efforts in continuing to preserve the Multilateral Trading System and work to ensure the WTO institution remains relevant.

We recognize that the prolonged trade tensions and COVID-19 pandemic have impacted trade and the entire global economy leading to job losses and reduced incomes around the world.

However, Malaysia remains optimistic that despite these challenges, the WTO has a crucial role to play in ensuring that global trade governance remains open, predictable, and transparent.

Malaysia wishes to highlight the following:

DG Selection

Since this is the first TNC/HODs for the year, let me once again, record our sincere appreciation to the General Council Chair, Ambassador Walker and the Co-facilitators – Ambassador Castillo and Ambassador Aspelund for their hard work in ensuring selection rounds were conducted in an efficient manner. We thank for all the flexibilities shown by members for this process.

Malaysia is committed and stands ready to work with our new DG.

Fisheries Subsidies

We take note of the report by Ambassador Wills and thank him for his valuable efforts and commitment to deliver the fisheries subsidies outcome. However, much work remains to be done by us here in Geneva and back in Capital.

Malaysia believes that, if we were to deliver an outcome for MC12 in the next nine (9) months, we need to engage in an outcome-oriented mode with the sense of urgency and necessary flexibility to achieve a consensus.

Dispute Settlement Mechanism

WTO dispute settlement system has been a central element in the predictability of the rules-based multilateral trading system. We truly hope that this impasse could be resolved expeditiously to restore the WTO's two-stage dispute settlement function.

Joint Statement Initiatives

We welcome the progress in the Joint Statement Initiatives on MSMEs, Investment Facilitation for Development and e-Commerce. Malaysia is strongly committed to the discussions under these JSIs. We are pleased to note that these initiatives have continued their work and are making good progress. Having said that, much work remains to be done for a meaningful outcome at the MC12.

Development

Development is an integral part of the WTO institution and WTO reform agenda. We acknowledge that international trade has been an important enabler for Members' economic growth and therefore, we must recognize the development component in the negotiations.

Bearing in mind the unprecedented challenges that we are facing now, greater political will and flexibility are crucial for an appropriate and effective special and differential treatment for developing countries including LDCs. We look forward to having more constructive engagements among Members for a win-win outcome in the lead up to MC12.

Lastly, Malaysia is confident that with Dr. Okonjo-Iweala's experience and political stature, she would be able to take this organisation to greater heights – by restoring the credibility of the rules-based multilateral trading system; setting clear goals for a meaningful outcome at the MC12; and deliver a post-pandemic economic recovery.

We wish Dr. Okonjo-Iweala every success in carrying out her responsibility as the new Director-General of the WTO.

9. Panama (Article XII Members)

I am delivering this statement on behalf of the Group of Article XII Members.

As we have said in previous statements, our Group expects that current negotiations should result in levelling the imbalances that have accumulated in Members commitments with each new accession negotiation.

To reach a level playing field, all those Members that currently enjoy higher levels of entitlements, that maintain significantly lower levels of commitments than those they asked of acceding Members, will have to make more significant contributions within the ongoing reforms process.

The Group wants to recognize the efforts made by the Chair of the CoA SS in setting up multiple rounds of conversations with the Membership through a facilitators process, and the efforts of Members contributing to constructive discussions. In this regard, we reiterate the importance to promote dialogue, inclusiveness, and the sharing of information.

Our Group reminds Members that the built-in agenda and existing imbalances are not limited to agriculture. Significant imbalances exist also in Services, in NAMA and horizontal commitments.

We would also like to reaffirm our Group's support for the ongoing discussions on the WTO reform in transparency and inclusion.

Lastly, we take this opportunity to offer our Congratulations to Dr. Okonjo-Iweala on her recent selection as Director General of the WTO. With her appointment, we are looking forward to seeing significant progress by MC12. We expect all ongoing negotiations to lead to closing the aforementioned gaps. We also reiterate our support to the ongoing accessions and hope that we can see new Members join the WTO.

10. Panama

I would like to take this opportunity to briefly add a few words in my national capacity.

It is of utmost importance to Panama that work continues in all sectors and negotiating pillars to ensure a balance of benefits and responsibilities resulting from the various negotiations and discussions.

In agriculture, we support the Chair's initiative on technical discussions, supported by the Facilitators, as this will be a way to achieve Member agreement on a comprehensive reform, without excluding any topics in all the pillars of agriculture.

Services negotiations and access for non-agricultural goods are a neglected part of the built in agenda. They are of no less importance and priority than agriculture. They must be treated in parallel and given the same priority as other areas of negotiation, thereby achieving a balance in the interests and diversity of the economies of the Members. We reject any call to give higher priority to other negotiations.

The COVID-19 pandemic has highlighted the key role that services play in facilitating trade in goods, including agricultural goods, which can be seen in the increase in online supply services, telecommunications and computer services. The creation of conditions conducive to trade in services is part of the package of measures that will lead economic recovery.

We appreciate the efforts made by the Chair and Ambassador Chambovey in his capacity as Facilitator in the negotiations to eliminate fisheries subsidies.

There is still a great divergence of positions. It is clear that the only way to achieve a highly ambitious agreement is by showing flexibility and pragmatism, but above all through the strong determination to have an effective outcome consistent with the mandate.

My delegation, together with the five other Latin American countries known as "Los 6LATS", will continue to be committed and to work hard to conclude this negotiation with an ambitious outcome that will benefit our oceans.

11. China

As a newcomer, I am honoured to join the Geneva family and look forward to working with all colleagues in the coming years. My predecessor Xiangchen mentioned in his farewell statement last December, that together for the past 3 plus years, he and everyone here had pulled through the most challenging times in the history of the multilateral trading system, but he believed the coming Spring in Geneva will be splendid. I would extend my sincere gratitude and appreciation to him and

every colleague here for your dutiful devotion and persistence in such difficult times. The magnolia tree Xiangchen planted in the garden is full of flowers bud now. the Spring of Geneva is coming and we are also looking forward to a WTO full of vigour and vitality.

Tomorrow will be the first full moon day of the Chinese New Year. It will also be the Chinese Lantern Festival. On this very day, people will light lanterns to pray for good. We sincerely wish, that with the first woman and African Director General coming into office and the joint efforts of the entire membership, the WTO will be able to deliver fruitful harvest, in the year of Ox which symbolizes diligence, resilience and fortune.

2021 marks the 20th anniversary of China's accession to the WTO. In the past two decades, we have made remarkable achievements in both economic development and people's life. All these great changes should attribute to the country's unremitting reform and opening up, people's diligence and hard work, as well as the gradual integration into the global economic system. However, we still face various domestic problems of imbalanced and inadequate development, and the future development tasks remain heavy. Nevertheless, China will continue to make efforts to play the positive, constructive and responsible role in the WTO, and to assume obligations commensurate with our capability.

This year we have a long to--do list aiming at a successful MC12.

Among all tasks, we have to show that WTO is an important part of the solution in responding the pandemic. We should have concrete outcomes in this regard.

Besides, achieving sustainable development is a common cause for all. The conclusion of fisheries subsidies negotiations should be the top priority, hopefully prior to the Ministerial. The initiative of trade and environment deserves to be further explored. In this regard, China, together with some other members, launched the open--ended informal dialogue on plastics pollution and environmentally sustainable plastics trade last November, and we call upon more members to join this effort.

JSIs' negotiations are also promising. We should make our efforts to conclude negotiations, or achieve concrete outcomes, on JSIs like services domestic regulation and investment facilitation.

Agriculture is always an important issue. Members should find the permanent solution for PSH. Meanwhile, we should deliver outcomes on G90's S&DT proposal to ensure that the development dimension continues to be the core of this organization.

Last but not least, China is of the view that all those possible deliverables rely significantly on the full function and smooth operation of the system. With a good start of DG's appointment, we should restore the Appellate Body at the earliest stage. Otherwise, any new rule--making will become less--motivated and meaningless.

Dear colleagues, "The strong pass of the enemy is a wall of iron; yet with firm strides, we are crossing its summit." It means, that however difficult it might seem, the challenges will be overcome. We now have a fresh start for the new year. Let us forge ahead with strong determination, and show the world a functioning, credible and relevant WTO.

12. Norway

Thank you for the challenging introductory remarks, and thanks to the chairs for their reports on the state of play. This is a good opportunity to take stock and look ahead towards MC12, and to reflect on what might realistically be achieved and how we may get there. Permit me to highlight three priority areas.

My first point is that MC12 will have to address the pandemic. The pandemic represents a global challenge that can only be addressed effectively through international cooperation using a variety of tools. I believe that we all share the objective of securing equitable and affordable access to diagnostics, vaccines and medicines. Norway supports international initiatives like COVAX, C-TAP and the multi-stakeholder ACT-A, and encourage other Members in a position to do so to join us.

The multilateral, rules-based trading regime is part of the toolbox available to the global community, and trade is part of the solution. In this context, the trade and health initiative taken by the Ottawa

group provides an excellent basis. Norway is looking forward to engaging with other members and the Director General on how the WTO can best contribute to mitigate the effects of the ongoing pandemic, to recover from the pandemic, and to be better prepared for the future.

My second point is the need to conclude the negotiations on fisheries subsidies as soon as possible. Given the difficult issues remaining, there is an urgent need for a more solution-oriented and pragmatic approach from Members. We must also use alternative negotiating formats that may be more conducive to making progress. We agree that smaller formats facilitate deeper and more interactive discussions, at the same time as the fundamental principles of inclusiveness and transparency will have to be respected.

My third point is that we need to address WTO reform at MC12. At this stage however, views on what reform should mean, and what may be achieved, seem to diverge widely within the membership, and we tend to talk past one another rather than to each other. We need to discuss seriously about what may constitute a common ground for dealing with reform at MC12 and beyond.

For our part, we believe reform needs to address all three pillars. Restoring a fully functioning dispute settlement system is fundamental. But we also need to continue our efforts to improve the efficiency of our work across our established structures. And finally, we need to pursue our rulemaking efforts with renewed energy.

I have already touched upon the negotiations on fisheries subsidies. Let me also point to the importance of the various Joint Statement Initiatives. While plurilateral approaches do not represent the preferred avenue, they have injected new energy into this organization. Next week we will have the first session of the Structured Discussions on Trade and Environmental Sustainability. The variety of members participating shows that we share the concern about environmental and climate challenges. We believe that this initiative is another opportunity for the WTO to demonstrate that it is a relevant organisation for the 21st century, and we will work towards concrete deliverables at MC12.

Much work remains to be done towards MC12. Let's get to work.

13. Hong Kong, China

Hong Kong, China is delighted that 2021 has brought about a good start and positive changes. We welcome heartily the confirmation of the appointment of the new Director-General earlier this month and look forward to working under her leadership, together with other Members, to tackle the systemic and priority issues at hand.

Today, I would just focus on three issues: fisheries subsidies, e-commerce and investment facilitation for development.

On fisheries subsidies, I would like to thank in particular the Chair of the Negotiating Group on Rules, Ambassador Wills, for his untiring efforts in leading the text-based negotiations and keeping the momentum of the negotiations. Our thanks also go to Ambassador Chambovey, as Friend-of-Chair, for his facilitating role in the discussions on special and differential treatment and his renewed efforts in trying to find landing zones.

While we are still in February now, two clusters of meetings have already taken place this year, covering some key provisions of the core disciplines. We, however, note that positions among Members remain vastly divergent, in particular in respect of the core disciplines, which are complex and closely linked to international law and Members' own fisheries management regimes. So much work remains to be done.

Going forward, we expect that more intersessional meetings will be held to allow for more thorough discussions on all the important disciplines. Small group meetings will also help, and we would like to highlight the principle of openness, transparency and inclusiveness in this respect. With MC12 just ten months away, time is not on our side. We would encourage Members to make extraordinary efforts to work in good faith and constructively for progress. Hong Kong, China reaffirms our commitment to concluding the negotiations early with a meaningful outcome.

On e-commerce, we would like to congratulate the three co-convenors from Australia, Japan and Singapore on the issuance of a consolidated text in December last year. The negotiations have made further headway at the meeting held earlier this month, achieving the first "clean" text on the issue of unsolicited commercial messages. Members also agree to accelerate work in the remaining areas where convergence is in sight so that we may move on to focus on the more challenging issues early.

Hong Kong, China remains committed to this Joint Initiative and to working flexibly in a combination of plenary, focus group and small group meetings. This has shown to be an efficient process, while preserving the key principles of openness, transparency and inclusiveness. Members should also bear in mind the possibility of seeking ministerial engagement in the run-up to MC12, so as to provide further political impetus and resolve issues where views are still divergent.

On investment facilitation for development (IFD), I would like to express our gratitude to the Coordinator, Ambassador Francke of Chile, for his leadership and tireless efforts in steering the negotiations. We are pleased to note that the negotiations in the past months has been productive and that Members are making good progress in streamlining the text on substantive issues such as transparency and simplification of investment procedures. The intersessional and small group meetings have helped intensify discussions and have enabled Members to resolve their differences in complicated issues.

Hong Kong, China supports the Coordinator's plan to continue with the negotiations in different formats and his mid-term objective of circulating a compilation of revised text that would serve as the main basis of drafting. We will continue to work with the Coordinator and Members in advancing the negotiations, with a view to achieving a substantive outcome in MC12, and ultimately producing an IFD agreement that provides meaningful facilitation to investors.

14. Chile (Structured Discussions on Investment Facilitation for Development)

In line with the open, inclusive, and transparent nature of the initiative, I am pleased to update Members on the latest developments regarding the Joint Initiative on Investment Facilitation for Development.

Currently 106 Members – including many developing and LDC Members from all geographical regions – are participating in the negotiations launched last year, with several non-participating WTO Members attending the meetings as well. All WTO Members are invited to the meetings, and documents are circulated to all Members.

Since the last report to the HODs in mid-December, the initiative has held two meetings so far this year. Participants are very engaged and making good, solid progress.

At the first meeting, held on 25-26 January, participating Members endorsed the Work Plan for the first half of 2021. It foresees monthly two-day meetings – and one-day intersessional meetings in-between them, to be scheduled as needed. The Work Plan also foresees additional work in 'small groups' to make progress on key issues – including on scope and the 'firewall' provisions. To ensure transparency and inclusiveness, small groups are open to all, participants and non-participants; and they regularly report to the plenary.

At the January meeting, Members reviewed the 'Revised draft text', circulated to all Members under my responsibility, which covers those provisions where discussions are more advanced. Thus far, the 'Revised draft text' – based on Members' proposals and ongoing discussions – covers provisions in four Sections, namely on: 'transparency of investment measures'; 'streamlining and speeding up administrative procedures'; domestic regulatory coherence and cross-border cooperation; and institutional arrangements.

At the second intersessional meeting held on 9 February, participants focused discussions on key transparency provisions, and the so-called "firewall" provisions – aimed at insulating the future investment facilitation for development framework from international investment agreements.

Discussions on the "firewall" provisions were based on a text contribution prepared by the Facilitator of the "Discussion Group on Scope-Firewall" – open to all interested Members. I wish to thank its

Facilitator - Manuel Chacón, from Colombia – for his hard work, and the group's members for their constructive spirit.

The priority for the months ahead is to continue advancing on drafting the future provisions, ensuring consistency throughout the text, and building further convergence among participating Members. My intention is to continue preparing 'Revised draft text' with the mid-term objective to consolidate all 'Revised draft text' into one text to be circulated around Easter.

While this is a 'pro-multilateral' initiative – we remain mindful that not all WTO Members are on board. The aim is to ensure that the text is developed "bottom-up" – by participating Members – taking into account the interests and concerns of all.

With that in mind, I have been reaching out to the representatives of the regional groupings and other major groups to provide channels for Members to express their views – including concerns they may have.

The JSI participants' goal is to achieve a concrete outcome by MC12.

I want to thank once again participating Members for their commitment and constructiveness.

15. Chile

Last week, we agreed on the appointment of the new Director-General at a General Council meeting marked by a degree of enthusiasm from Members and enthusiasm for a new chapter to be opened in the organization. We hope that this spirit continues to be seen in the preparations for the next Ministerial Conference. This enthusiasm should be channelled to achieving tangible results at MC12.

We need to start to talk seriously on how we can move forward to building the necessary consensus. In that sense, I am not sure if repeating well-known positions in the various Negotiating Groups is the most productive way of making progress. We need to make the most out of all available opportunities such as today's meeting to start a good faith negotiations. On our part, we remain to constructively engaged in these processes and contribute to achieving such goals.

16. Republic of Korea

Korea has always been an avid supporter of the multilateral trading system, which has rewarded us with economic prosperity and stability over the past decades. This system is now under grave stress, with updates of the rule-book long overdue, and economic vulnerability exacerbated due to the COVID-19 pandemic.

At this critical juncture, the WTO needs to show that it can evolve and adapt to economic realities that businesses face. The WTO needs to be more relevant, responsive, and efficient in rebuilding trust in the multilateral trading system.

Among others, for the WTO to remain relevant, it should revitalize its negotiating function by providing a negotiating forum as was envisioned by the Members in the Marrakesh Agreement.

In this sense, we see the parallel progression of multilateral negotiations and Joint Statement Initiatives very timely and essential. Moreover, Joint Statement Initiatives touch upon innovative and inclusive topics of major impact to global trade. These negotiations are open to all WTO Members and are making efficient progress, raising expectations for fruitful outcomes in the coming months.

Korea has been constructively taking parts in all the negotiations, including fisheries subsidies and agriculture, and has also played an active role in Joint Statement Initiatives on E-commerce, Investment Facilitation, Services Domestic Regulation, and MSMEs.

In this vein, I would also like to commend each Chair and Coordinators of the ongoing negotiations for their tireless efforts and strong commitment for making considerable advancement in the midst of dire situations caused by the pandemic.

In addition to the ongoing negotiations, the WTO must also be more responsive to global challenges and the demands of diverse stakeholders. Response to the COVID-19 pandemic should be at the

forefront of discussion, as well as measures to tackle climate change and other environmental issues. Korea welcomes Members' greater attention to trade related health and environmental issues, and looks forward to further development on new initiatives.

Korea has high hopes that the new Director General, as the Chair of the TNC, would closely interact with Members to help resolve key issues and accelerate ongoing negotiations. We will closely communicate with her under different configuration of groups and issues.

Last but not least, I express my deep appreciation for the work and service the DDGs and the whole Secretariat team have rendered during this challenging period.

17. Chinese Taipei

My delegation would like to first express our sincere gratitude to you and the Chairs of the Negotiating Groups for the updates and efforts, and to the Secretariat and all Members for their hard works and participations.

With the new DG assuming her office next week, we trust that new political momentum will be brought to the WTO to help find landing zones on critical issues.

Facing the major impact of the pandemic to the global economy, we share with the new DG's emphasis on trade and health as one of the most important issues at present time. The WTO can play an important role in ensuring the global supply chain of critical medical products and in making available the vaccines for all Members in need. We are also glad to see Members' extensive engagement in the discussion of the Trade and Health Initiative to make it a concrete result of MC12. We agree with the urgent needs of the AB reform. We look forward to a possible work program on the dispute settlement reform as a breakthrough to address the substantial concerns of Members at MC12. At the same time, some useful WTO's existing tools such as mediation and arbitration for dispute settlement are currently under-used. They may be good complementary mechanisms and alternative options to resolve trade disputes.

On the time and venue of MC12, we look forward to a decision at the coming GC next week. It is both realistic and ideal to hold MC12 in Geneva at the end of this year. Without a doubt, concluding the multilateral fisheries subsidies agreement will be the most important achievement of MC12. We have demonstrated our flexibilities on certain key issues and submitted some discussion papers to facilitate the negotiation process. In the recent round of talk last week, there was an encouraging development. We urge Members to continue finding and showing flexibilities to narrow the divergence and ultimately form the rules to prohibit harmful subsidies.

As part of the reform to modernize the WTO rulebook, we recognize the momentum brought from the Joint Statement Initiatives (JSIs) negotiations to strengthen the WTO's negotiation functions. We believe that the WTO needs to find a creative way for plurilateral agreements to be integrated into the multilateral architecture. The outstanding progress on the initiatives of e-commerce and digital trade, domestic regulations in trade in services, and investment facilitation for development, MSMEs, and trade and environment, among others, are significant evidence to show that many Members expect the WTO to be a living organization to adapt to the changing world and to benefit world trade and economy. My delegation is committed to actively participate in these negotiations and contributing to the modernisation of the WTO.

On WTO reform in a broad sense, we should be both ambitious and realistic in setting the goals and agenda. We will work with the new DG and Members on a gradual and step-by-step approach to discuss meaningful reform agendas. We look forward to jointly make the WTO revive and moving toward to a fruitful MC12 in front of us.

18. Iceland (Informal Working Group on Trade and Gender)

As a co-chair of the Informal Working Group on Trade and Gender I would like to report on the ongoing work.

The second meeting of the informal working group will be held tomorrow 26 February.

The working group is open to all members and seeks to work in a transparent and inclusive manner with a view to allowing more members to join.

Meetings are held every second month with some flexibility for more frequent meetings when needed, for instance when preparing for ministerial meetings.

There are four fixed items on the agenda of the IWG:

- Share best practices among members on increasing women's participation in trade.
- Considering a concept and scope for a gender lens in the context of international trade and review how a gender lens could be applied to the work of the WTO.
- Review and discuss gender-related analytical work produced by the WTO Secretariat and other stakeholders.
- How we can contribute to the Aid-for-Trade work programme.

In the meeting tomorrow the WTO Secretariat and the World Bank will present their joint Report titled "Women and Trade. The role of trade in promoting gender equality." The aim of the report is to assess the potential impact of trade policy on both women and men and to develop appropriate policies to ensure that trade contributes to enhancing opportunities for all. The research is based on new analysis and data broken down by gender.

At the meeting Canada will present a proposal outlining a roadmap to help guide the work of the IWG in the lead up to MC12. This proposal is based on the agreed work pillars of the Informal Working Group.

The meeting will also focus on experience sharing and three members have indicated that they will have presentations at the meeting, namely Australia, Canada and Chile, to share their experiences of policies to increase women's participation in trade.

19. Iceland

Fisheries

First our thanks to Ambassador Wills for his leadership in the fisheries negotiations and our thanks to Ambassador Chambovey for leading the discussions on S&DT.

Despite renewed efforts and engagements from member states the WTO did not deliver a fisheries agreement in 2020 as mandated by the United Nations.

Although the aim of the negotiations seems fairly simple, the reality is clearly far from easy.

We want an agreement to prohibit certain form of fisheries subsidies that contribute to overcapacity and overfishing as well as subsidies that contribute to IUU fishing – recognising that S&DT will be an integral part of the solution.

Fisheries is one of the main pillars of the Icelandic economy, and for all of us that depend on fisheries, responsible, sustainable fisheries by all are the prerequisite for fisheries to continue to contribute to our livelihood and wellbeing.

These negotiations are therefore a matter of great importance to all of us. We are reaching a turning point and we must avoid repeating mistakes of the past. MC12 is the new deadline ahead of us – and this one cannot be missed.

Discussions must be carefully sequenced, so no more time is lost. We support the work programme set forward by Ambassador Wills. There is no doubt that moving to text-based negotiations has been crucial and brought our discussions to a new level. Discussions in smaller groups are also helpful and should be continued.

20. Argentina

Faced with a pandemic whose impact does not stop, Argentina understands that it is vital to deepen dialogue and international cooperation. To say that the pandemic is having disproportionate consequences in developing countries may be a generalist description but it is no less true.

The WTO must be part of the response and contribute to the fight to combat the pandemic; we support interventions that referred to access to medical products.

We are convinced of the benefits of the multilateral system and we believe in trade as the engine of development. It is time to generate results on long pending issues, starting with agriculture and fisheries subsidies. Given the central role of these sectors in most developing countries, addressing current imbalances is key to contributing to inclusive growth and development.

It is imperative that we make real progress in agricultural discussions. Agriculture as an activity has undergone notable changes; however, trading rules remain anchored in the 20th century. Levelling the playing field is essential for a more open and less distorted agricultural market. In this sense, and without ignoring the relevance of other issues, we are in favour of focusing on the issues with the greatest impact, such as domestic support.

We know that the high level of subsidies to the fisheries sector has distorted the cost of fishing and artificially increased profits in this sector, contributing among other things to illegal fishing and overcapacity. We urge Members to set aside in this discussion on fisheries subsidies positions that lack sufficient support and to work collectively in a constructive spirit. We reiterate our support to Ambassador Wills and we recall the proposals presented by the 6Lat Group.

At the institutional level, we are pleased that as of Monday we will once again have a General Director; it is a source of pride and we hope it will bring new momentum to the discussions at the WTO. We also hope that the vacancies in the appointments of the members of the Appellate Body can be resolved as soon as possible.

How little or how much we can achieve at the next Ministerial Conference depends on our flexibility, our commitment and the pragmatism that we can apply. Argentina is ready to make its contribution to a balanced regulatory framework that promotes sustainable growth and inclusive development.

21. Australia (Joint Statement Initiative on Electronic Commerce)

I will first provide a report on work under the Joint Statement Initiative on Electronic Commerce on behalf of the co-convenors: Australia, Japan and Singapore.

Since our last report in December, the JSI has met once, on 5 February this year. At the meeting, participants welcomed the clean text achieved on spam – the first clean article achieved in the initiative. This reflects the ongoing good momentum in the negotiations.

The meeting included updates from other small groups to ensure transparency and a constructive facilitator-led discussion on facilitating electronic transactions.

We facilitated a stakeholder-led webinar on 18 February exploring, from a consumer perspective, the intersection between source code disciplines and AI-regulation.

Looking ahead, we will hold monthly plenary meetings in the next few months, and small groups will remain an important tool for driving progress. We are aiming to achieve around 10 clean articles by the summer break.

The JSI remains open, transparent and inclusive: meetings are open to all WTO Members and papers are available on the WTO portal.

2021 will be a critical year for the negotiations. With the COVID-19 crisis increasing the urgency of our work, we will need to make big strides forward if we are to deliver meaningful outcomes quickly as demanded by stakeholders. We look forward to responding to this challenge with all participants.

22. Australia

There is hope in the air, but we need to channel it wisely.

There is much to do to both repair the system and mobilise it to achieve some wins at MC12 in December, where hopes are now rightly focused.

System repair is of fundamental importance to bring all the pillars of the WTO back to health.

It requires us to reaffirm our commitment to an enforceable dispute settlement system with an appellate function; with an emphasis on dialogue in the reform agenda over 2021. A healthy dispute settlement system is of foundational importance to the health of the rules-based trading regime.

System repair also requires us to make changes to the way we approach Special and Differential Treatment which we see as an essential tool to enable the effective incorporation of developing countries and LDCs, to the global trading system. Without a measured and careful approach to this issue we will simply fail to make the most of gains from trade and fail to conclude a number of long running negotiations we have underway.

And system repair requires us to improve the way we handle the monitoring and transparency function, to improve the role of peer pressure on policy, to ensure our business communities can navigate the measures that do arise, and help restore the trust we need to re-establish among Members about adherence to obligations.

System-mobilisation – or getting rule-making going again – is our most urgent task.

Put plainly, the WTO needs some runs on the board, and urgently.

Combatting the health effects of the pandemic will be a priority. We must make a practical difference to fast and equitable vaccine delivery across the globe, including through the trade and health initiative put forward by the Ottawa Group and by engaging with other ideas, such as those proposed by our incoming Director General.

It is pleasing there is strong momentum behind a range of plurilateral rule-making initiatives. Australia sees strong prospects for all the Joint Statement Initiatives, which collectively are backed by more than two thirds of the membership. Services domestic regulation negotiations are well advanced and ripe for a prompt conclusion; e-commerce is a priority for many of us and for our businesses and work is progressing solidly.

On the multilateral negotiations, we are committed to an outcome as soon as possible on fisheries subsidies, but without a clear commitment from major subsidisers to a genuine shift from the status quo there will be questions raised on our ability to deliver.

On agriculture, reducing trade-distorting domestic support is the priority for the vast majority of WTO Members. This means making decisions – collectively. It does not mean simply establishing a work program, which would only send us back to square one. The Cairns Group continues to show leadership in mapping out a possible way forward and we call on all members, including the largest, to engage in this work now. It is essential that at MC12 Ministers provide strong guidance on parameters for finalising domestic support negotiations by MC13 including on the important issue of cotton.

In tackling this work we'll need to sequence and prioritise our efforts carefully, and tread gingerly, and avoid system overload of system overload.

Part of the task is ensuring we work with our new talented Director-General and with Ministers carefully to ensure we prepare the ground carefully for December.

We will need to plan and schedule dedicated opportunities for ministerial and vice-ministerial engagement throughout the year and work assiduously in Geneva to ensure issues are ripe for their input.

We are convinced that MC12 can be a moment of renewal for this organisation and that we can secure some important – and much-needed – wins this year.

We look forward to working with others to that end.

23. Jamaica (ACP)

The WTO has opened a new chapter with the appointment of a new Director-General, the first Director-General from the ACP Group. We therefore have high expectations that through her facilitation, we will move forward with our negotiating agenda in a balanced, fair and development-oriented manner.

On fisheries subsidies, an outcome should be an effective policy tool in the global fight against IUU fishing and global fish stock depletion. The ACP Group reaffirms its commitment to the implementation of SDG 14.6 and the MC11 mandate. Targeting major subsidizers and large-scale industrial fishing should be the priority of the negotiations.

An outcome should provide adequate policy space for developing countries and LDCs to develop their fisheries sector responsibly and sustainably at their own pace without WTO scrutiny as well as facilitate the narrowing of the development divide between the fisheries sectors in developed and developing countries. The ACP Group cannot accept transition periods alone with technical assistance and capacity building. Neither can we accept that Article 5.2 provides enough policy space for developing countries when that provision is a disguised exemption for large subsidizers.

An outcome must ensure that sovereign rights of Members are respected, national judicial processes are unfettered, implementation is not more burdensome than necessary to achieve our sustainability objective, the provisions remain within the competence of the WTO and there is policy space for small scale artisanal fishing. The negotiating process including removal of brackets should adhere to a long standing principle of decision by consensus.

On agriculture, an outcome package at MC12 should include PSH, SSM, cotton and trade distorting domestic support particularly as it relates to eliminating AMS above de minimis. We have engaged with proponents of the proportionality on overall cap proposals. But we are not convinced that those approaches accommodate the unique circumstances and concerns of ACP Group members.

Given the thrust towards rural development and agriculture reform in capitals, we cannot agree to the changes to Article 6.2. We need to study the impact of the pandemic on agricultural production and trade. But given that data for the pandemic period are not yet available, we cautioned against unrealistic expectations for developing countries and LDCs to make significant concessions at this time as they will require agricultural policy space to help accelerate post pandemic recovery efforts.

The services sector is significantly impacted by the pandemic. The spill-over effects reverberate through economies especially for ACP Members whose economies are dominated by sectors such as tourism and travel services. We have submitted a communication in the CTS SS in document JOB/SERV/305. The communication looks at vulnerable service sectors affected in ACP Members as well as the challenges and opportunities. There is scope for the WTO and individual to enhance collaboration including in improving digital capabilities in order to drive recovery in sectors such as healthcare, education and trade facilitative services.

The ACP Group looks forward to presenting the submission during the next CTS SS and to continuing our positive engagement with other Members particularly on the sectors identified in our communication. We also encourage Members in the CTS SS to engage in accordance with the mandate and consistent with GATS Article XIX especially as it relates to the built in flexibilities for developing and least developed countries.

On S&DT, we prioritize outcomes at MC12. We welcome Members' interactions on the G-90 proposals in the CTD SS. We will continue to look at the proposals individually with Members and calls for flexibility and constructive engagement given the importance of S&DT in assisting developing countries and LDCs to enhance their integration in the global economy and global value chains.

In the area of intellectual property, the pandemic is wreaking havoc on our economies, society and healthcare systems but disproportionately so in developing countries and LDCs. Vaccination is the

most durable solution. The WTO has an important role to play in facilitating swift, timely, affordable and equitable access to the vaccines and therapeutics to combat the pandemic. We thank the proponents of IP/C/W/669 and agree with its general objective. The ACP Group urges constructive dialogue and flexibility to arrive at an outcome on this very critical issue.

We acknowledge that LDCs continue to face their structural and institutional constraints in the application of the TRIPS Agreement. We support an extension of the transition period for LDCs under Article 66.1 and calls a special consideration to be given to recently graduated LDCs.

On reform, the Group renews its call for a comprehensive dialogue on the structure, scope and objectives of WTO Reform. The piecemeal one-sided approach in which the discussions are being undertaken fuels an atmosphere of distrust and a feeling that the process is neither transparent nor inclusive.

The process on substance of reform should reflect the development dimension of international trade, accelerate the attainment of SDGs, be pursued on a fair, transparent and equitable manner and, importantly, reinforce the core development principles framed in the Marrakesh Agreement.

It is time to resolve the Appellate Body impasse. A two-tiered, transparent, independent dispute settlement system as envisaged by the DSU is critical to the functioning and credibility of the WTO. Unilateral actions is not the way forward.

We once more congratulate Dr. Ngozi Okonjo-Iweala on her appointment and pledge our support and commitment for her leadership. We stand ready to join hands with her to pursue a transparent, open, inclusive and rules-based multilateral trading system with the WTO at its core institution.

24. Egypt

Let me start by extending my heartfelt congratulations and full support to Dr. Ngozi Okonjo-Iweala, while wishing her every success as WTO Director-General. We commend the Deputy Directors-General for their commitment and diligent efforts to steer the WTO during this transitional period.

I also thank you Mr. Chairman and the Chairs of the Negotiating Groups for your reports and efforts in pushing negotiations forward.

Egypt endorses the statement by Ambassador of Mauritius on behalf of the African Group.

Egypt believes that in order for the WTO to remain relevant, it must actively contribute to the global response in face of the current global crisis stemming from the unprecedented challenges posed by the COVID 19 pandemic, especially in developing and the least developed countries, in addition to laying the groundwork for a fair and equitable global economic recovery.

In this regard, Members must prioritize reaching a decision to adopt the TRIPS waiver proposal to ensure equitable and timely access of COVID-19 vaccines. Egypt and the increasing number of co-sponsors of this proposal shall continue their outreach efforts to convince all Members to support this waiver, and urge them to constructively engage in text-based negotiations on this issue in the TRIPS Council.

As for other imminent priorities, especially after appointing the new DG, we must decide on the date and venue of MC12 at the earliest convenience to provide more clarity on the timeframe of our work, and enable us to set realistic goals.

In addition, we need to expeditiously find a solution to the Appellate Body crisis, in order to revive the dispute settlement function of the WTO.

Another pressing priority that will also help in restoring the credibility of our organization is the conclusion of the fisheries subsidies negotiations. We reiterate that our common objective is maintaining and promoting fisheries sustainability. However, we must acknowledge that Members have different capacities to do so.

With this understanding, our main focus should be disciplining large-scale industrial fishing contributing the most to fish stocks depletion, while excluding artisanal and small-scale fishing from

the scope of our discussions, given its bearing on food security, as well as its minimal impact on fish stocks sustainability. Additionally, appropriate and effective special and differential treatment for these countries has been recognized in SDG 14.6. and must be an integral part of our long overdue agreement on fisheries subsidies.

In our view, key priorities for MC12 should focus on:

- First: reaching outcomes in agriculture negotiations that would contribute to facing the growing challenge of food insecurity that is being further exacerbated by the pandemic, especially in NFIDCs and LDCs.
- Second: ensuring the effective implementation of special and differential treatment for developing and least developed countries to support their efforts to achieve industrial development and economic diversification. We call for constructive engagement from all our development partners in the CTD-SS to move forward with the G90 proposal.
- Third: deciding on the future of the two moratoria concerning electronic commerce and TRIPS non-violation complaints.
- Last but not least: agreeing on a balanced "Reform Agenda" that promotes development and inclusivity to guide our post MC12 work.

To conclude, I believe we should continue our work in good faith and have frank discussions to reach a common understanding of the issues where we can have deliverables at MC12. We also need to be realistic in assessing what can be done and what could be further developed in the longer term taking into consideration capacity constraints of developing countries and LDCs, especially due to the impact of the pandemic and the resulting global economic crisis.

25. United Kingdom

Thank you to all the Deputy Directors-General for the way you have safely stirred this organization during the interim period. I am going to be brief. I have an excellent statement to read to you. But I am not going to. You have heard most of it before and several times. Instead, I am going back to my national authorities to say we need a new approach this year. This year is the year we need to show political will, to make meaningful compromises, to work across the whole Membership and to bring negotiations to conclusion.

This is the year the WTO needs to show it is relevant for bringing this pandemic to an end and building back the global economy better and stronger. I hope that it is not presumptuous of me to say that I hope colleagues here today will do the same. We have a golden opportunity for a new beginning with our excellent new Director-General. We have the chance to make this organization relevant again, to do work here that benefit our citizens and makes our lives better and help them recover from this pandemic. We should seize it.

26. Japan

This year is a critical year to decide the future trajectory of the WTO. MC12 will be held within this year. We have just appointed Dr. Ngozi Okonjo-Iweala as the new Director General, and we must now accelerate our work for MC12 together with the new DG.

First, on our mandated negotiation on the fisheries subsidies. It was regrettable that we missed the deadline last year, but it is a good sign that Members have already resumed an intensive text-based discussion under the leadership of Ambassador Wills and Ambassador Chambovey. We should redouble our efforts to conclude the negotiation in advance of MC12, and to do so, it is important to find a solution based on our mandate and the existing international fisheries regime.

As Dr. Ngozi stated in her acceptance speech, "The WTO can and must play a more forceful role in exercising its monitoring function," and Members should "minimize or remove export restrictions and prohibitions that hinder supply chains for medical goods and equipment." In this regard, Japan co-sponsors the draft General Council Declaration on trade and health (JOB/GC/251) prepared by the Ottawa Group, and wishes other Members to join the Declaration and other parts of our Initiative on Trade and Health.

The COVID-19 pandemic also reminds Members of the importance of food security. The WTO needs to address the issue of maintaining food supply chains as a priority. Japan will continue to contribute to the discussion on improving transparency and clarifying disciplines on export restrictions in agriculture. We hope to achieve a concrete outcome in this area by MC12.

Another area in which we hope to see progress this year is trade and environmental sustainability, especially addressing climate change. Japan has declared that it will aim to achieve carbon-neutrality by 2050. The WTO should also play a role in achieving global carbon neutrality, and we look forward to activating the discussion at the WTO toward MC12.

Ensuring a level playing field remains a priority for Japan in order to mitigate the substantial trade-distorting effects of subsidies and other domestic policies. We expect further discussion at the WTO, including strengthened rules on industrial subsidies, SOEs, and forced technology transfer.

The Joint Statement Initiatives will be a key part of the MC12 outcomes. We value the JSIs as an appropriate vehicle to respond to new challenges of the world economy in a flexible, pragmatic, and timely manner.

E-commerce is playing a critical role in underpinning a rapid, post-COVID recovery, and will surely constitute a foundation for the future economic transition. The JSI e-commerce negotiations have already been active in small groups, building on the latest achievement of the consolidated text last December. Japan, as one of the co-conveners, calls for Members to intensify negotiations this year on key issues such as cross-border data flow.

We will actively engage in other JSIs, in particular on services domestic regulation and investment facilitation. We can reasonably expect a conclusion of the negotiation on domestic regulation and substantial progress in investment facilitation by MC12.

Last but not least, Japan remains concerned about the impasse of the Appellate Body. Members should swiftly restart the discussions toward a meaningful reform to restore the proper functioning of the WTO dispute settlement system.

27. Singapore

After a turbulent 2020 that was full of challenges not least from the COVID-19 pandemic, we finally find ourselves in 2021 with the possibility of turning a new page. After a hiatus, we finally have a new Director-General who will be taking up office in a few days. After years of deadlock at the WTO, we have an opportunity to work towards consensus outcomes at MC12 which comes in less than a year. The runway is short and bumpy and before the plane can take off, we must all make necessary preparations.

The first and most immediate task is to prioritize. We must do a hardnosed evaluation of what are the most realistic outcomes that we can achieve within the next eight to ten months and prioritize those for discussion.

We are long overdue to deliver our fisheries subsidies negotiations and it is crucial that we deliver on this. An outcome in this area will also be an important first step for the WTO to address the nexus between trade and sustainability.

In the same vein, we also see the urgent need to restore the Appellate Body.

The WTO should also advance the Trade and Health Initiative which will be a concrete demonstration of the WTO's ability to make a meaningful contribution to the global fight against COVID-19.

Another priority will of course be the Joint Statement Initiatives which have progressed steadily and are well placed to harvest some outcomes. In particular, the JSI on E-Commerce will be tackling the challenging issues of data and market access this year. We will need to diligently narrow the various options on the table and tap on MC12 to provide guidance.

The second urgent task is to identify milestones. Given that we are not only pressed for time but also need to make up for lost time, it will be helpful for Members to have a clear idea of the timelines

that we have to follow from now until December. This will enable Members to be prepared to engage in substantive negotiations and build up momentum.

For example, there should be clarity on what we want to achieve for the General Council meetings in May, July, October and December so that we can identify gaps early and organize supplementary informal sessions or other meetings in variable geometry if necessary. This should apply across the board for all areas of work. We should also consider the Director-General's call to develop a work programme for implementation of WTO reform issues that can be advanced at MC12.

The third task that we must undertake now but which will bear fruit in the longer term is to revisit some first principles. After the long years of talking at instead of which each other, we have lost sight of the reasons why we all joined the WTO in the first place. The WTO has allowed us to harness as a force for good, lifting millions out of poverty and vastly improving standards of living.

While deep differences remained, we must not give up. Rather, Members must redouble our efforts to find creative ways to overcome our differences and find mutually agreeable solutions to bring benefit to all our citizens. To do this, Members must seriously re-evaluate our positions and ask ourselves whether we are pursuing national interest at the expense of systemic interest.

For the WTO to succeed, Members must strengthen our commitment to look beyond our respective national briefs and consider the collective interest of the rules-based multilateral trading system. Here, Members can work with the Director-General "in a transparent manner to build trust, build bridges, diffuse political tensions and encourage convergence."

We certainly have our work cut out for us and the road ahead will not be easy. In fact, the road will have bumps, cracks and obstacles. But in the end, it will get us somewhere. But where that somewhere will be depends on all of us – the WTO Members. My delegation and I will look forward to working closely with Members in the next few months to navigate this bumpy road and chart a path for a stronger and better WTO.

28. Bangladesh

Bangladesh endorses the statement delivered by Chad on behalf of the LDCs.

Once again, we congratulate Dr. Ngozi for her election as the Director General of the WTO. We look forward to working with the new DG and extend our full cooperation to her and her team in our collective journey to achieve a fair and transparent global trade regime that benefits us all.

I join my other colleagues in thanking the distinguished Chairs of the different negotiating groups for their comprehensive presentations on the status of negotiations in their respective areas. I cannot agree more that we need to make progress in the ongoing negotiations in order to strengthen a rule based multilateral trading system.

We echo the views of others that marine fisheries, which is an important source of food must be protected by prohibiting harmful subsidies, among others. We hope, all these concerns reiterated by many delegations before me would be taken into consideration in moving forward. Like most of us here, we wish to see completion of the ongoing negotiations on the Fisheries Subsidies Agreement before MC12.

The LDC group has two submissions under consideration by relevant bodies of WTO. The Group has submitted a duly motivated request at the TRIPS Council seeking an extension of transition period under TRIPS Article 66.1. The current transition will end on 01 July 2021. For all valid reasons, it needs extension. This time, the LDC group has proposed extension as long as a country remains in the LDC category plus 12 years after graduation. It is evident that these countries are yet to create a sound and viable technological base that was considered adopting the original text of the TRIPS Agreement Article 66.1. It is also most unlikely that these countries will be able to achieve that sooner, in addition to their economic, financial and administrative constraints.

The LDC group has also submitted another proposal at the General Council in the format of a draft MC decision proposing extension of LDC specific S&DT and other support measures for LDCs for a period of 12 years after graduation. It is well understood, sudden loss of the ISMs and special treatments will put these countries under severe hardship. The COVID crisis only compounded the

vulnerability of this group of countries. Also, we have to bear in mind that the graduation of an LDC does not remove the constraints all of a sudden that are considered for providing special treatment to this group at the WTO. The LDCs are not requesting anything new, but continuation of the existing S&DTs and other ISMs a few more years to support smooth and sustainable transition of a graduated LDC. Bangladesh hopes that Members will favourably consider both submissions of LDCs as proposed.

We are not sure when the pandemic will not end. It is important that everyone from all corners of the world gets vaccine. We emphasize on unconditional, affordable, equitable and timely access to effective vaccine and other curative measures against the virus. This must be a priority undertaking. In the same vein, production and distribution of vaccine and other medical equipment for prevention, containment, and treatment of COVID-19 should be open to all, irrespective of development status. The TRIPS or any other regulatory framework should not be a hindrance to access this most urgent public health needs of the humanity. We hope that Members of WTO will engage constructively for a positive outcome on this issue.

It is a common knowledge that the developing countries, particularly the LDCs need more flexibility to integrate them into international trading system to achieve the goals of Marrakesh Agreement. In this connection, agreement specific S&DT proposals by G90 demand our special attention and positive consideration.

Finally, we look forward to working closely with all members and engaging constructively in all the pending negotiations in the coming days for an early conclusion.

29. Philippines

As we welcome our incoming Director-General, Madame Dr. Ngozi Okonjo-Iweala, I would like to extend my delegation's appreciation once again to all the four Deputy Directors-General—DDG Yonov Frederick Agah, DDG Karl Brawner, DDG Alan Wolff, and DDG Yi Xiaozhun—for providing timely leadership of the WTO during this very challenging year for the Membership and for all the delegates here in Geneva. We thank you for your service and commitment to the multilateral trading system.

We begin a new chapter of the multilateral trading system under a new DG, but it is far from a fresh start. The global once-in-a-lifetime health crisis that is the COVID-19 pandemic remains as pervasive and invasive as ever. The economic impact of the COVID-19 pandemic continues to beset countries of all levels of development. At the same time, this organization continues to face a number of systemic and fundamental challenges in all three pillars of the multilateral trading system.

It is a daunting task for the Membership, let alone a new DG, to overcome such challenges within the course of the year and to produce a successful outcome by the 12th Ministerial Conference in December. Early progress on key negotiating areas would be key indicator of our potential success in MC12.

DDA Issues

On the Rules negotiations on fisheries subsidies, the Philippines wishes to thank Ambassador Santiago Wills for delivering the second revised consolidated text in RD/TN/RL/126/Rev.2 along with the explanatory note RD/TN/RL/126/Rev.2/Add.1 both dated 18 December 2020. The reflection of any incremental progress in the text is important. We, therefore, commend the work undertaken until now. The effort from Ecuador, Argentina and Chile to provide further clarification on artisanal fishing is appreciated and we could support it within the geographical limit of 12 nautical miles from the baseline. The incoming Director General's focus and the Member's commitment to a concrete text-based deliverable for MC12 remain encouraging to build on momentum as we strive for consensus on various issues. We echo the Chair's concerns and encourage Members to be flexible and not remain entrenched in previously divergent positions so we may uphold our commitments to deliver on SDG 14.6 in a timely manner.

On the agriculture negotiations, the Philippines appreciates and extends its support for the work undertaken by Ambassador Gloria Abraham Peralta in the CoA-SS. The facilitator-led discussions and technical presentations volunteered by Members in outreach activities have richly added to understanding each other's real concerns and have encouraged in-depth dialogue and cooperation. Looking forward to MC12, the Philippines remains committed to achieving outcomes on mandated

issues, especially PSH and SSM and an ambitious reform package on Domestic Support. We also commend the joint initiative on the non-imposition of export prohibitions to humanitarian purchases by the WFP (WT/L/1109). Despite the pandemic, the Philippines is encouraged by the Membership's agility and willingness in the agriculture negotiations to adapt to the changed circumstances, and looks forward to an eventful negotiating year in 2021.

Joint Statement Initiatives

The Philippines welcomes the continuous progress and the good start of the year in the various MC11 Joint Statement Initiatives, specifically on MSMEs, electronic commerce, investment facilitation for development, and the Buenos Aires Declaration on Trade and Women's Economic Empowerment, to which the Philippines is a signatory. We commend the dedication of the coordinators and participating delegations in setting up the respective roadmaps and work plans for this year to achieve substantial progress on these initiatives for meaningful outcomes at MC12.

- On MSMEs: We are pleased with the growing support among Members for the MSME package of recommendations and declarations adopted by the Informal Working Group on MSMEs in December 2020, which is now endorsed by 94 WTO Members from different levels of development. The Philippines looks forward to continue working with other Members in building on and implementing the MSME Package towards achieving a multilateral outcome for MSMEs.
- On E-Commerce: We recognize the significant progress in the negotiations of the trade-related aspects of electronic commerce, particularly in finalizing a clean negotiating text on unsolicited commercial messages or "spam". The Philippines appreciates the open, transparent and inclusive nature of the negotiations, including the work done in the small group discussions, in order to build on the momentum achieved so far and further streamline the negotiating text.
- On Investment Facilitation for Development: We commend the progress in the ongoing round of negotiations on the development of specific provisions for a future agreement on Investment Facilitation for Development. The Philippines supports the roadmap approved by the group defining target milestones for the first half of 2021 to achieve a substantive outcome by the next Ministerial Conference.
- On Trade and Gender: We welcome the work being done in the Informal Working Group on Trade and Gender, and the Philippines stands ready to engage with Members for possible deliverable at MC12.

Excellencies, it certainly goes without saying that this is a crucial year for the WTO. Let us build on the momentum of the historic assumption of our new DG, Dr. Okonjo-Iweala, and on the progress we have made thus far at the start of this year, as we work our way towards a successful outcome for MC12.

30. Paraguay

Paraguay wishes to congratulate the members of the *troika* for transparently conducting the process that has culminated in the appointment of a new Director-General, a historic event that brings the first African woman to the helm of our Organization, an event that we celebrate with the Membership. We wish Dr Ngozi Okonjo-Iweala every success during her term of office.

In this regard, Paraguay wishes to state its priorities for the organization's work during the coming months, with a view to MC12.

The priority of the entire Membership must be to restore the Appellate Body to its full capacity and launch the process for selecting its members without further delay, in order to improve the functioning of the dispute settlement system.

Paraguay, as a landlocked country, faces enormous challenges on account of its geographical situation. In this regard, because of the particular features of our development, there is a need to preserve special and differential treatment in the negotiations for our country. We firmly believe that

the development component is a fundamental principle and right of Members, and the discussions on this theme should continue to be transparent and inclusive.

Agriculture

With regard to the agriculture negotiations, we continue to advocate a wide-ranging outcome that covers the various pillars of the Agreement on Agriculture in order to obtain the necessary balance that will enable a consensus to be reached. Convergence is possible, with the necessary political will to make progress, especially on the basis of the framework document on domestic support and the formulation of a framework document on market access. We reiterate our support for the chairperson's work and will continue collaborating with a view to achieving a satisfactory outcome in agriculture.

Fisheries Subsidies

Moreover, we encourage the Members to intensify their efforts to conclude the negotiations on fisheries subsidies. Paraguay, together with other landlocked developing countries, has presented a communication in document RD/TN/RL/130, a proposal that reflects the interests of this group of countries in such a way that they are not harmed by any disciplines implemented in a future agreement that have the potential to limit their participation in the fishing industry to the detriment of their development.

Electronic Commerce

In the e-commerce initiative, we would like to highlight the progress made, and we are grateful for the preparation of the consolidated negotiating text that reflects the participants' hard work in the small working groups. Paraguay considers e-commerce as a toll for economic development and trade facilitation, and we are interested in moving forward in disciplines that create an environment conducive to the development of the digital economy, in relation to matters such as consumer protection, spam, electronic signature and authentication, and paperless trading.

However, we wish to emphasize the need for a more serious conversation on the development dimension and the digital divide. A future agreement should incorporate flexibility for developing countries enabling a gradual implementation of commitments, perhaps with a methodology similar to that of the Trade Facilitation Agreement, which includes a strong capacity-building and technical assistance component.

Services Domestic Regulation and Investment Facilitation for Development

Lastly, Paraguay welcomes the work done as part of the initiatives on services domestic regulation and investment facilitation for development, and we reiterate our commitment to concluding the outstanding matters as soon as possible.

31. Canada (Ottawa Group)

I would like to start by once again congratulating Dr. Ngozi Okonjo-Iweala on her appointment as the next Director General of the WTO. Canada looks forward to working with her on all aspects of WTO work, especially on furthering reform objectives.

As usual, I will provide an update on the work of the Ottawa Group and then a statement on behalf of Canada.

The Ottawa Group remains committed to strengthening and modernizing the WTO. Ottawa Group vice-ministers met virtually on February 22 to discuss how the group could contribute to a successful MC12 and ensure that the WTO responds effectively to global challenges.

This means delivering a meaningful outcome on fisheries subsidies as soon as possible. It means finalizing the results of negotiations on services domestic regulation. It means achieving concrete results or, at least, consolidating progress for MC12 on other plurilateral initiatives, such as e-commerce, investment facilitation, and micro-small and medium sized enterprises. Finally, it means advancing work on important issues like trade and health and trade, environmental sustainability, and agriculture and exploring how best to address other issues of systemic importance, notably

industrial subsidies and the behaviour of state-owned enterprises. On agriculture, Ottawa Group members continue to advance work and develop ideas on agriculture transparency and export restrictions.

Achieving these objectives will not be easy and will require regular dialogue and engagement by ministers and senior officials in order to help set a realistic and manageable agenda.

Vice-ministers reaffirmed their commitment to multilateralism, but also stressed the value of plurilateral approaches, such as the ongoing joint statement initiatives, to allow for progress in addressing issues of critical importance to both developing and developed Members.

The Ottawa Group is ready to do its part and calls on other WTO Members to the same. In this spirit of enhanced engagement, vice-ministers re-confirmed the Ottawa Group's commitment to openly and inclusively engaging with all WTO Members (individually or through regional groups) on WTO initiatives as well as keeping Members informed of the Group's work.

Looking ahead, and in the spirit of enhanced engagement, Ottawa Group ministers will meet on March 22, 2021. Responding to the fact that the UK is now no longer represented in the WTO by the EU, we welcomed the UK as a separate member of our group and look forward to UK participation in the upcoming ministerial.

32. Canada

As indicated in past statements, Canada remains committed to a global response to the pandemic that leverages the entire multilateral trading system in supporting the research, development, manufacturing, and distribution of safe and effective treatments for COVID-19. Canada has reviewed the TRIPS waiver proposal from Bolivia, Egypt, Eswatini, India, Kenya, Mongolia, Mozambique, Pakistan, the African Group and South Africa and has actively participated in the TRIPS Council discussions on these important issues. Canada is confident that Members will be able to resolve any concrete obstacles identified in a consensual manner and looks forward to further constructive discussions in TRIPS Council in this regard.

Canada continues to place a priority on advancing the agriculture negotiations and we will play a constructive role across all agriculture issues in order to develop a credible package for MC12. On domestic support, we strongly believe that an outcome based on the Cairns Group Framework is both realistic and doable. This would mean that members agree at MC12 to reduce global trade distorting entitlements by half by 2030. Post MC12, Members would then negotiate the specific modalities to reach the goal with the principle that those with the highest entitlements would contribute the most to the outcome. In addition, for MC12, steps can be taken to improve transparency and predictability in agriculture trade. To this end, we are encouraged by the level of engagement and momentum on our paper with Brazil, Australia, and Ukraine on tariff transparency and shipments en route. We also believe our proposal on export competition with Norway and Switzerland would enhance transparency without increasing the burden on Members.

For the fisheries subsidies negotiations, we are fully committed to concluding an agreement as soon as possible. At this stage, the negotiations would benefit most from frank exchanges in a small group format where the Chair is empowered to ask questions of participants and explore compromise options. The priority for those discussions should be to establish the disciplines for subsidies to IUU fishing and overcapacity and overfishing, together with a discipline on transparency, and then determine an S&DT framework to address capacity issues in implementing the disciplines.

On e-commerce, we welcome the progress made to date, including the cleaning of the text on unsolicited commercial messages. Canada is committed to work towards the milestones identified by the co-conveners for the summer 2021, and we thank them and the facilitators for their efforts. We also encourage JSI participants to further consider making a version of the consolidated text publicly available, which would support our respective engagement with interested stakeholders.

On services domestic regulation, the revised reference paper demonstrates we achieved a meaningful milestone in 2020 by resolving all the drafting issues in the text. We thank the Chair for his leadership and note that it will be important to maintain momentum towards finalizing the text in the near future, while actively pursuing the scheduling exercise for conclusion at MC12.

As noted during the last TNC meeting, Canada is pleased to be part of the group of WTO members that launched the Trade and Environmental Sustainability Structured Discussions on November 17th. The first meeting will take place on March 5 and I sincerely hope that all WTO members will join us for this first meeting.

Finally, we continue to be very concerned about the Appellate Body's inability to hear appeals and reiterate our willingness to engage in constructive discussions towards resolving the impasse. In the meantime, Canada maintains that the MPIA is the best means to preserve Members' rights under the DSU and we invite all Members that have not joined to consider doing so.

33. Nepal

I wish to align our statement with the statement delivered by Chad, on behalf of the LDC Group.

In the context of the upcoming MC 12, my delegation would like to highlight five priority issues for achieving its concrete deliverables:

First, progress in the appointment of Appellate Body members should be made without further delay to bring dispute settlement mechanism, a key pillar of the WTO, back on track, and maintain the credibility in the works of the Organization. Specific discussions, dialogues and consultations among Membership would be supportive in bridging differences among Membership and resolve the issue.

Second, various negotiations are gaining a momentum with a view to making them conclusive before the MC12. We underline that such negotiations should ensure equitable share of benefits to all members, particularly LDCs, and within them, the landlocked LDCs. I call upon members to give positive consideration to the submissions of LDCs and LLDCs on fisheries subsidies negotiation.

Third, for fair, inclusive and rules-based multilateral trading system and safeguarding multilateralism, Nepal underlines the critical need for WTO reforms. Reform agenda requires thorough deliberations. Substance of the reform should be comprehensive; be able to address global challenges including inequality; incorporate emerging issues and opportunities of global trade; and support weaker economies in order to ensure their meaningful integration in the global trading system. Lessons from the pandemic should be due consideration. In this context, we may initiate focused discussions on the submissions made by Memberships or groups of Memberships on WTO reforms including the submission made by the LDC group.

Fourth, development dimension remains a key concern of all developing countries, particularly the LDCs. A clear road map on mainstreaming development dimension in the multilateral trading system and S&DT is critical to meet global targets of LDC graduation and SDGs. The roadmap should incorporate additional support measures for speedy recovery of these economies and should also ensure a level playing field for weaker economies through an in-built mechanism.

In this context, let me recall the submissions of the LDC group, especially for the extension of transition period of TRIPS agreement and the extension of transition period of graduating LDCs and others. I urge all WTO members to positively consider these submissions.

And finally, all LDCs-focused support measures including Aid for Trade, DFQF, technological support and flexibilities in implementation, among others, remain extremely important, not only for enabling LDC graduation per se but also for ensuring the graduation more inclusive and sustainable in terms of meeting SDGs by 2030 and fulfilling our development agenda beyond. In this context, I would like to commend our development partners for their continued generous support and urge them for enhanced cooperation for the early recovery of LDC economies from the current pandemic crisis.

34. New Zealand

Like others, New Zealand again welcomes the appointment of our new Director-General, as an important step in building the WTO's institutional resilience in 2021. We look forward to working with all members, and the Director-General, to deliver meaningful outcomes this year and to address institutional matters, such as resolving the Appellate Body impasse.

It is impossible to ignore the context of the ongoing COVID 19 pandemic. We have a responsibility to address the trade disruptions which have hindered our response to COVID-19. The Ottawa Group's

Trade and Health initiative provides a concrete response and we encourage all WTO Members to engage on this initiative.

New Zealand also notes the concerns raised by some Members around the role of intellectual property as a barrier to equitable access to COVID-19 vaccines and treatments. We look forward to working further with members to better understand the extent to which any suitable vaccine manufacturing capacity is not being used, why that is the case, and the specific nature of any restraints in the use of voluntary or compulsory licensing under existing TRIPS flexibilities.

For many of us, international trade is a key driver in the COVID economic recovery. The WTO should be at the centre of this. As a forum for transparency, dialogue and negotiation it can help ensure that any protectionist or distortionary measures, and Chair you referred to the extent of measures this morning, are dismantled on a collective basis. The WTO should be an engine for sustainable economic growth, including through the negotiation of new rules and commitments.

We join the loud chorus of members in saying that a first priority continues to be conclusion of fisheries subsidies negotiations as soon as possible. We cannot afford to wait for MC12 for many reasons, not the least being our public credibility. In making progress, we must not lose sight of the central problem: ensuring subsidies do not contribute to unsustainable or illegal fishing. We must concentrate on how the disciplines as a whole meet the sustainability objective, ensuring that as we try to accommodate the different circumstances Members are facing, that this does not hollow out our fundamental objective.

Delivery of these new disciplines on fisheries is a first step in the trade and sustainability agenda, which, as both you and members have noted, is becoming increasingly urgent. Once again, New Zealand will invite delegations to join a renewed Ministerial Statement on Fossil Fuel Subsidy Reform for MC12.

On agriculture, New Zealand considers the Framework for Negotiations on Domestic Support to provide a basis for negotiations, and equally a collective means to achieving global reductions. Maintaining the current levels of domestic support is detrimental not only for trade, but for the environment and farmer livelihoods. By delivering on this long-standing demand of much of the WTO membership, we hope that we will unlock progress in other areas of reform.

We, like many others, are pleased to see progress being made on joint statement initiatives (including e-commerce, and services domestic regulation) which will help to modernise and update the rules for our exporters. And we thank the convenors for their updates today.

As always, New Zealand stands ready to work constructively with other Members, the Director General and the Secretariat to deliver a meaningful package of outcomes at MC12.

35. Turkey

2021 started with a very positive development for the future of the WTO. This is the first TNC meeting after the appointment of Dr Ngozi Okonjo-Iweala as the new Director General. We congratulate and warmly welcome Dr Ngozi once again.

As said in several cultures, spring brings new beginnings and cold melts away. Following a hibernation accompanied by a long winter, we now have ahead of us a necessary restoration process of the multilateral trading system. In this new season, a more dynamic and inclusive multilateral trading system can be ensured through a restoration in several fields. This restoration also requires a strong commitment to change the status quo and rebuilding the trust in our negotiations.

For the upcoming period, we have a long to-do-list for ensuring this restoration. Among those, the negotiations on disciplining fisheries subsidies is the primary task before the membership. As mandated, members need to do their part without further delay by crafting meaningful disciplines to contribute to sustainability. In doing this, members need to formulate rules in all pillars that effectively prevent harmful subsidies, while allowing the necessary space for those who need to sustainably develop their fisheries sectors.

Another striking area for this restoration period is agriculture. Addressing the trade distorting domestic support is long overdue. The steps to be taken toward this direction can be a good confidence building measure for our future work.

As we voiced several times over the last years, two-tier dispute settlement is key to maintain predictability in multilateral trading system and its demise risks to crumble the entire edifice of the system. In this respect, we believe, the third area for the restoration should be revitalizing the Appellate Body. In achieving this, Turkey considers it necessary to resume the multilateral discussions to improve the current system and to address the concerns of members. For this, we think the Walker process is a good basis to advance our discussions. We hope that the positive developments in 2021 can assist the immediate restoration of the Appellate Body.

On the other hand, a successful restoration can only be reinforced with an update of the issues to be dealt by this Organization, which may help further capture the realities of today's global economy. In this respect, we value the plurilateral initiatives on several fields namely MSMEs, Domestic Regulation, E-Commerce and Investment Facilitation for Development and we are pleased with the good momentum achieved recently. As long as they maintain their inclusive and transparent character, we consider these initiatives as effective instruments to improve the negotiating function of the WTO. While a focus on those issues is valued, of course, it should not mean leaving the pre-existing agenda items aside. Members should continue to address them immediately since they are major concerns for an overwhelming number of WTO members.

Final and the most important and urgent issue is pandemic. As mentioned several times by several people: "No one is safe until everyone is safe". Affordable, secure and uninterrupted access to key medical supplies is more important than ever. We should shoulder this responsibility together. WTO can find creative ways to contribute to multilateral initiatives in the fight against COVID-19. Before it is too late, we invite members to be constructive and flexible in finding appropriate solutions.

The pandemic reminded us that interdependence is no longer optional, it is the reality of our world. Sharing is not only a prerequisite for it, but also a wise thing to do.

36. Pakistan

in our last TNC meeting we had expressed a hope that we head into 2021 with a new DG, a functional Appellate Body and a much more strongly focused developmental approach to our engagement to ensure equitable gains from trade. It is heartening to note that we have achieved the first one early in the year, and we wholeheartedly welcome the new Director General. For the other two, we remain hopeful and extend our faith in the membership to deliver those objectives for they are indispensable to restoring trust in this organisation for any meaningful contributions to global prosperity.

On the Appellate Body, it is unfortunate that we continue to find a deadlock. This deadlock not only places a systemic block on the system, but also prevents countries from seeking due adjudication where they feel aggrieved even by legal interpretations of panels. It is for the sake of allowing fair and equitable access to a two-tiered system that Pakistan had also agreed to join the MPIA pending a restoration of the Appellate Body. We once again, put our faith in the membership along with a new DG to restore the broken pillar to its due state without creating any conditions or linkages to other WTO issues.

Turning to our third, and most profound hope, Chair; 'development' – manifested in higher standards of living, achieved through a structural transformation of our economies, greater technological capabilities, and production capacities, achieved in a sustainable way – remains the cornerstone of our activities and the end result of our endeavours. This is true for all negotiations and discussions on reforming the organisation.

Taking the case of fisheries subsidies, we recognise the efforts by the Chair of the negotiating group to bridge differences. However, essential differences in views remain. For Pakistan, the issue is not only that of saving the environment and the oceans but also of ensuring livelihoods and prosperity of poor populations. Sustainability rests on the principle of 'polluters pay', and they must pay first. Those who are not polluting today cannot be asked to cut their ambitions of developing sustainable fisheries industries, while those that are actually polluting continue unabated on the understanding that their fishing is sustainable. These are the primary anomalies we have already witnessed earlier in the Uruguay Round and repeating those mistakes would only weaken the effort. To be clear, to

us, Special and Differential Treatment for developing countries is a negotiated right. Diluting this right through a case-by-case, or needs-based approach could derail meaningful movement on this issue. Similarly, provisions that create de facto or 'reverse S&DT' for developed countries allowing them to continue their practices, is hardly acceptable.

Similarly, in Agriculture, Pakistan remains concerned that the focus keeps shifting away from the real problem – i.e. the existing anomalies in the Agreement. Without very large subsidisers agreeing to cut domestic support first, movement will be difficult. Livelihood and food security concerns in developing countries continue to mount in wake of the pandemic and, therefore, the need for levelling the playing field in agriculture trade remains paramount. Specific entitlements for developing countries and interests of NFIDCs must not be swept away with the same broad stroke. Turning to the most pressing and immediate matter, Chair, along with saving fish, and providing food, we must not forget the pandemic confronting us all. Immediate, affordable, and equitable access to Covid vaccines, along with other essential medicines and equipment is the need of the hour. Global production capacities are being utilised in a very skewed manner while self-prioritisation in countries where vaccines have been developed is leading to vaccine hoarding on one side and vaccine famine on the other. Restrictive IP rights are preventing the full production capacity of the globe to be utilised for the vaccines. The calls for a temporary waiver from IP restrictions to fight the pandemic are rising fast within and outside the WTO. It is high time that the WTO membership takes this proposal to the next level.

In conclusion, the demands for sustainable development and improved standards of living for world's poor are the real issues we should focus our attention on, going forward. The drive towards truly global and equitable prosperity is possible only if developing countries catch up and recognize their varying capabilities. We hope, once again, that we make 2021 truly memorable by following a more developmental approach at the WTO than has been done earlier.

37. Russian Federation

My delegation's understanding of the state of play on the main negotiating tracks is as follows.

On the fisheries subsidies negotiations: taking into account the intensive schedule, suggested by the Chair, Ambassador Wills, and the volume of work done so far, we keep optimism about the perspectives of this negotiating track, despite serious divergences, which still exist among us. There are all ingredients for a compromise solution in overfishing and overcapacity pillar. We should, however, deeply review the approach to IUU subsidies prohibition, and solve the issues of automaticity, timing, and proportionality of prohibition. Having reached some clarity on main substantial topics, we will be able to move to SDT provisions enabling all Members to implement new rules in a short or medium term. We urge proponents to make a reality check of their requests given that we have less than ten months until MC-12. We also rely on the assistance of the new Director General which may help us to bridge the existing differences of views.

Russia expresses its appreciation to the facilitators of the agriculture negotiations for their work on each of the negotiating topics. The technical discussions led by them will surely assist in framing a comprehensive and effective way forward. However, it is very important to stay focused and avoid retracing our steps on the same issues, resulting essentially in substitution of the negotiating process. In our view, it would be helpful to prioritise elements where we should progress first. Due to time constraints it seems unfeasible to reach an agreement across all the agricultural "pillars" by MC-12. Russia's main priority remains the creation of new disciplines on trade distorting domestic support and enhancement of transparency in market access. This is of utmost importance for ensuring a more open and predictable access to agriculture markets and supporting global food security.

We welcome the ongoing substantial efforts under the Buenos Aires "joint initiatives", which we look upon as a valuable contribution to the multilateral format. Russia actively participates in all four of them.

In particular, we appreciate the progress in negotiations on domestic regulation in services, resulting in a compromise document. On the one hand, it represents a set of rules for improving the system of internal regulation. On the other hand, the text contains certain flexibilities and general principles, which could be applied in countries with different regulation systems and levels of economic development. We attach great importance to the discussions and clarifications of procedural steps

that would transform this document into a final outcome in the form of legally binding commitments. We are open to the follow-up dialogue on these issues and will strive to ensure that it takes place in a transparent and constructive manner.

We are inspired by the passion and hard work of the Members on Investment Facilitation for Development. Ongoing negotiations showed significant areas of convergence, areas of common interest, as well as areas that needed further consideration. Therefore, it is useful to continue to move on gradually and remember that quality should prevail over speed. At the same time, the clear planning of some sort of a roadmap will help advance the discussions.

The Informal Working Group on MSMEs, building on the tangible results achieved by December 2020, should now focus on the implementation of the adopted recommendations fostering participation of small businesses in international trade. We should also be forward-looking by exploring new areas of importance for MSMEs and aiming for multilateralization of the initiative.

Let me also mention, without going into much detail, the need to advance negotiations on e-commerce. We are looking forward to sound outcomes at MC-12 in that area.

And, last but not least, we expect that our efforts to restore the effective functioning of the Appellate Body, inspired by the recent political signals will be accelerated under the energetic management of the new Director General, so that we'll be able to solve this crucial WTO's problem as soon as possible.

38. Saint Lucia (CARICOM)

We associate with the statement by Jamaica on behalf of the ACP Group. Let me also join with others in thanking you for your report as well as the Chairs of various Negotiating Bodies.

With respect to the fisheries subsidies negotiations, the CARICOM Group maintains and remains committed to playing an active and constructive role in the negotiations. For our members, the fisheries sector plays a vital role in food security and in the economic well-being of coastal and rural communities. Keeping in mind the need to secure the viable of the sector, an agreement on fisheries subsidies will help secure the resource for future generations.

In this regard, we wish to emphasize that small fishing nations with an under-developed sector such as those of CARICOM are too small to have much if any negative effects on the health of global fish stocks. As such, the CARICOM Group continues to highlight the importance of S&DT that is well aligned with the core principles of the Marrakesh Agreement.

Turning now to some procedural concerns already expressed with respect to the negotiating process, while we accept that nothing is agreed until everything is agreed, the decision on how brackets are treated within the text must remain consistent with past practice and with our common understanding. There can be no departure from accepted norms.

Turning now to agriculture, agriculture continues to be a critical component of CARICOM economies. Agriculture is also a central plank of our own food security efforts. In this regard, we take note of the ongoing work with respect to public stockholding for food security. CARICOM places high priority on an outcome in this area at MC12. We fully endorse the ACP position as at the Bali Decision on PSH should be amended to ensure that all developing countries can qualify beyond traditional staple crops and in a manner that is not unduly burdensome.

Furthermore, we face many internal challenges with respect to our own agriculture sector including diseconomies of scale, competition for limited land, small farms and challenges relating to accessing finance. There are also systemic and exogenous issues which continue to place great pressure on our fragile agricultural sectors. These challenges have the potential to make us more food insecure and further highlights the need for us to strengthen our work in the WTO on agriculture to ensure that we have an outcome that supports our legitimate food security and developmental objectives.

Moving now to e-commerce, we thank the Chair of the CTS for its recent communication relating to the ongoing dialogue in the Committee on Members' initiative for supporting digital capability for business and consumers. By and large, it is not a lack of knowledge or interest regarding such

initiative that impedes their implementation in our own domestic context. It is primarily a lack of wherewithal.

In this regard, we note the acknowledgment by Dr. Ngozi Okonjo-Iweala on 15 February 2021 of the need to address the digital divide if the developing country Members are to fully participate in the negotiations on e-commerce. We therefore welcome this perspective on sequencing which we share. It is an impractical expectation that the small and vulnerable economies of CARICOM, for example, would be positioned to participate meaningfully in rulemaking on e-commerce at this stage – not when the digital divide continues to grow and our significant regulatory, legal and infrastructural resources are being challenged by the amplified concerns related to COVID-19.

It is in this context that we re-state our commitment to reinvigorating the Work Programme on Electronic Commerce and we reaffirm our interest in focused discussions on e-commerce and development as part of that work programme. As stated previously, consideration should be given to a format that facilitates an exhaustive discussion on challenges and opportunities while going beyond the truncated discussions taking place in relevant Committees.

Concerning the JSIs, we take note of the developments in all of the JSIs each of which is at an advanced stage. We maintain that our preference is for a multilateral outcome on issues which are already subject to a multilateral mandate such as services domestic regulation and e-commerce.

Finally, we caution against seeking to use the JSIs as a forum to resolve issues that are yet to be resolved at the multilateral level including matters related to S&DT, differentiation and the e-commerce moratorium.

The CARICOM Group takes this opportunity to once again congratulate the Director-General elect, Dr. Ngozi Okonjo-Iweala. We pledge our full support in the collective efforts to advance the cause of development at the WTO.

39. Ecuador

Ecuador thanks you for your report, and for the reports presented today by the Chairs and coordinators of the current negotiations.

Once again, my country would like to offer its congratulations on the appointment of WTO Director General Dr Ngozi Okonjo-Iweala, whose proactive role will be crucial to revitalizing the WTO and facilitating the functioning of the multilateral trading system, at a time where addressing the pandemic and ensuring that we emerge from it with renewed strength are of critical importance.

Regarding the negotiations, I would like to refer to a number of issues that are especially important to my country:

- Ecuador considers the immediate conclusion of the fisheries subsidies negotiations to be a priority. We thank and congratulate the Ambassador of Colombia and Chair of the negotiating group for all the work that has been done in this complex area; we also acknowledge the substantive support received from the Ambassador of Switzerland. Ecuador supports a proposal on artisanal fisheries in view of the socio economic and food security impact of this activity and the need thankfully recognised by most Members to devote attention to this matter. Together with Chile and Argentina we are submitting a version of the proposal that we trust reflects Members' views.
- We reiterate the importance of ensuring that the Agreement contains clear and specific provisions on illegal, unreported and unregulated fishing and fishing on the high seas. It is vital not to lose sight of the concerns that I think we all share regarding fisheries subsidies and their impact on sustainability.
- My country will continue to support this process, taking the constructive approach that has characterized it throughout these negotiations, and will do everything it can to assist Ambassador Wills in his efforts to ensure that a consensus agreement is reached as soon as possible.

- We also welcome the process chaired by the Ambassador of Costa Rica with regard to agriculture. Ecuador is committed to the agriculture negotiations. The WTO's work on agricultural issues is of paramount importance to Ecuador, as this sector is vital to our economy and therefore key to our fulfilment of the sustainable development goals. Our priorities include the pillars of market access, domestic support and special safeguards. We have confidence in the work carried out by Ambassador Abraham to provide fresh impetus to the negotiations in this area.
- Ecuador advocates for reform of the Organization to bring it up to date with the current context and to make it a positive factor in the recovery of international trade in the post pandemic era.
- In order to address issues that are key to the recovery of international trade and the global economy, we must first make sure to support, from the international trading system standpoint, an effective sanitary response, in line with the principles of that system and in close cooperation with other multilateral bodies.
- My country recognises the importance of the debate on trade and sustainable development, as well as the discussions on plastics. The proposed dialogue with multiple stakeholders will provide us with a holistic view that covers various issues with a global impact. We trust that these discussions will be conducted in an inclusive and transparent manner for all Members, given the impact that they may have on ongoing WTO processes.
- Regarding joint statement initiatives, we welcome the significant progress made on e-commerce, small and medium sized enterprises (SMEs) and investment facilitation. Regarding MSMEs, Ecuador is interested in encouraging exchanges on policies to promote innovation.
- In October this year Ecuador joined the Joint Initiative on e-commerce. We recognize the importance of this open, transparent and inclusive process, and welcome the co organizers' leadership.
- We are currently implementing an ambitious strategy on e-commerce, in spite of a context in which our economy has been, and continues to be, adversely affected by COVID 19. Transformation into a digital economy is pivotal, and we have therefore decided to take on this considerable challenge.
- We also support the work on gender and trade as an excellent platform for discussing the significance of gender in various areas of international trade.
- Lastly, Mr Chairman, we will succeed in making headway on these issues once the time and place of the 12th Ministerial Conference are established. The work we carry out in the run up to the Conference will ensure a package of outcomes that is balanced and beneficial to all Members.

40. Chad (LDCs)

I am taking the floor on behalf of the LDC Group. I would like to thank you for convening this Trade Negotiations Committee meeting and for providing us with an overview of the negotiations at the WTO.

I would also like to thank the various Chairs of the Committees and Negotiating Groups for their respective reports on trade related issues.

First of all, the LDC Group reiterates how pleased it is to see the WTO led by a new Director General, Dr Ngozi Okonjo Iweala. It sends a very positive message to the world: one of progress for the Organization and for conducting our negotiations. We need a multilateral Organization that is driven both by its Members and by strong leadership at the helm.

The LDC Group also welcomes the fact that the Chair of the General Council is in the process of finalizing a new date for MC12, which is scheduled to take place in Geneva.

As we embark on this return to a fully operational WTO, the LDC Group considers that it is equally important to swiftly restore a properly functioning dispute settlement system, by appointing new Appellate Body members. We call on Members to cooperate as much as possible in this regard in order to restore visibility in this general climate of uncertainty, brought on by the COVID 19 crisis.

During this global health crisis, we also wish to recall the importance of maintaining easy access to the pharmaceutical and medical products needed to combat COVID 19, including vaccines, for LDCs. Last year, we submitted a communication on this matter. Our Group continues to use workshops to study the impact of this crisis, at different levels, affecting the facilitation of LDCs' trade in goods and services, so that we can take it into account in our work at the WTO.

With regard to the trade negotiations under way, the LDC Group is working on an agreement on fisheries subsidies that would take into account our needs in terms of preserving our fisheries resources and our artisanal and small scale fisheries.

We support SDG 16, as well as the rights of our fishing communities. In the fisheries subsidies negotiations, we must resolve, in particular, the issue of subsidies to large scale deep sea fishing fleets.

As to special and differential treatment, our Group recently submitted two proposals: one relating to Article 66.1 of the TRIPS Agreement and the extension of flexibilities that are due to expire on 1 July 2021, and another on graduation from LDC status and the need to extend flexibilities for a fixed maximum period of time.

Our Group hopes that Members will agree to our requests for flexibility, insofar as they affect our ability to foster and facilitate our integration into world trade and our resilience in a sustainable manner.

With regard to agriculture, which is one of the pillars of our negotiations, we continue to advocate, in view of MC12, an outcome on domestic support that addresses the issue of market distortion, which affects our producers and exporters. Our Group is also working on the submission of a proposal containing ideas, with a view to an outcome. We also call for the elimination of domestic support for cotton trade.

As to services, we will soon be organizing a workshop, in collaboration with the Secretariat, to oversee the implementation of the LDC services waiver. Moreover, our Group supports the preparatory work for a Ministers' deliberation on the issue of e commerce.

I would like to conclude my statement by touching on the issue of WTO reform and the importance of taking into account, in any future decision, the institutional, human and financial resource constraints of LDCs. LDCs must be spared any further administrative and financial burden. These, Chair, are some of the pressing matters for the LDC Group in view of MC12.

Our group remains open and ready to engage in a constructive effort, with a view to achieving effective outcomes that satisfy our interests and those of Members in a fairer, more inclusive and more transparent multilateral trading dynamic.

41. Indonesia

At this juncture, I would like to offer Indonesia's observations on our negotiations.

On fisheries subsidies, significant gaps of position persist among Members. This is expected as this is not a mere trade discipline. However, my delegation would like to reiterate that the WTO should stick to the mandate on prohibiting certain forms of fisheries subsidies. The overcapacity and overfishing condition is happening already and therefore a strict prohibition approach is needed. For us, the sustainability approach should be undertaken by other international organizations.

While the WTO and FAO work to achieve the same objectives on fisheries' sustainability, our approach should not overlap let alone be inconsistent. At the same time, the Polluters Pay Principle should be upheld. Those that are left contributing to overfishing should not be punished by the discipline.

In agriculture, I have been following closely the constructive discussion in the Facilitator Process led by the CoA SS Chair. We understand that this process aims to discuss technical issues at the technical level to get a better understanding from Members. However, in agriculture negotiations, it is more than a technical discussion but necessitates, more importantly, our political will. We need to be focused on our work and not further diverting our attention from our main work on the mandated issues. While we commend the Facilitator Process, it is also important that this process should not be burdensome but rather resulting potential outcomes to advance the agriculture negotiations.

As we are all aware, with the view to having MC12 at the end of this year, it is more than urgent that we need to move forward on the negotiations to achieve, on the longstanding mandated issue, the establishment of a permanent solution for public stockholding for food security purposes and a comprehensive and balanced outcome in SSM. The G-33 statement in JOB/TNC/88 addressed this outstanding homework.

PSH and SSM will not only address agriculture trade issues for developing countries but also answer the challenges faced by developing country Members in addressing food security issues in responding to the effects of natural disasters, climate change and, more importantly, the COVID-19 pandemic that we are facing today. Concluding the PSH and SSM negotiations is paramount at this critical time.

Indonesia reemphasizes the importance of e-commerce as a tool to support economic and social develop. Ensuring a clear scope of electronic transmissions, which in our view should not apply to electronically transmitted goods and services, shall be of our priority. This longstanding mandated issue should not be left behind and no effort should shift Members' commitment and attention to keep working on this matter and to conclude this longstanding work.

The resolution of the issue surrounding the two-tiered dispute settlement system should be the outmost priority for this organization. If the issue is not resolved in a time manner, the WTO will be at risk of losing its biggest contribution to global trade of providing predictability. We are also concerned by efforts ensuing in this situation that may amount into the backlog of cases and force Members to appeal into the void. Whatever negotiation we embark on will depend on the effectiveness of the dispute settlement mechanism.

We would also like to welcome the ideas brought out by India and South in document WT/GC/W/819 on the legal status of JSIs and their negotiated outcomes. We look forward to the discussion at the upcoming General Council meeting on this issue.

COVID-19 has decelerated global economic growth. It has also affected our daily lives and slowed down our negotiation process. This is unlikely to disappear in the foreseeable future. It is time for us to provide an adequate response to this pandemic. We have the tools and the platform to ensure global solidarity and cooperation to combat this pandemic and expedite global recovery.

In this regard, my delegation follows closely the ongoing discussion on the proposal for a waiver from certain provisions of the TRIPS Agreement for the prevention, containment and treatment of COVID-19. We thank the co-sponsor for the valuable ideas in finding ways to ensure equal, affordable and timely access to vaccines and other medical products. My delegation this proposal to reach a successful conclusion.

42. Kingdom of Saudi Arabia

I would like to thank you for your report and to express my sincere appreciation to the four DDGs for their hard work in handling the function of the Director General and steering the work of this organization at this critical time. Let me also thank the Chairs of negotiating groups for their reports in their respective fields.

The economic and social disruption caused by the COVID-19 pandemic remains the imminent challenge facing us; it has a significant effect not only on health but also on the global economy and international trade. In this challenging time, we need more than ever to unify our efforts to overcome consequences of the pandemic and to restore the confidence and the credibility of WTO and the multilateral trading system. We believe that the WTO has an important role to play in managing recovery from the impact of the pandemic and to lead to a post-pandemic global trading environment.

Having said that let me move to present our views on some certain issues of our work:

In the area of WTO reform, an active engagement, a strong political will and a full understanding of the scope and elements of proposed reform are required to advance WTO reform.

In this regard, I would like to refer to Riyadh Initiative on the future of the WTO, which was launched by the Saudi Arabian G20 Presidency and annexed to the G20 Trade and Investment Ministers COMMUNIQUÉ that was circulated as WTO document (WT/GC/221), and gained the recognition of the G20 Leaders at the Riyadh Summit as indicated in their declaration that was circulated as WTO document (WT/L/1101). In light of this, we believe that Riyadh Initiative could form a good basis for further discussion among the entire membership towards the necessary reform of the WTO.

Saudi Arabia also underscores the importance of a well-functioning Dispute Settlement Body. We therefore encourage all Members to double their efforts to find ways to restore the proper functioning of the WTO dispute settlement system.

On the agriculture, we welcome the Chair's initiative for a facilitator-led small groups and the work undertaken in this process. We encourage all Members to engage constructively in the technical discussions in order to achieve a successful outcome for the benefit of all members in this crucial issue.

On Fisheries Subsidies, We would like to thank the Chair of the Negotiating Group on Rules for his leadership. Discussions on the draft-consolidated document have been constructive and are making progress. We support the Chair's efforts to intensify the negotiations and encourage Members to formulate a complete text before MC12.

Saudi Arabia also welcomes further progress on Joint Initiatives' discussions including E-commerce, Domestic Regulations, Investment Facilitation for Development and MSMEs. We hope to achieve concrete outcomes by MC12.

In conclusion, the Kingdom of Saudi Arabia reiterates its commitment to the Multilateral Trading System and remains ready to engage constructively in the work ahead.

43. Republic of Moldova

On the upcoming Ministerial Conference, Moldova would be pleased to support the proposal that is to be examined in the upcoming General Council meeting. We reiterate that our delegation is ready to work constructively with Members to ensure meaningful and successful outcomes for MC12 and beyond. There are too many areas where decisive process needs to be achieved.

With reference to the ongoing negotiations and discussions in various within this House, I would like to stress the following:

On fisheries, Moldova follows the ongoing negotiations and supports the conclusion of the current negotiations on fisheries subsidies by MC12 which in our view shall result in a significant and implementable outcome rather than just ticking a box. Understanding the differences that remain, we urge all Members to show greater flexibility and constructive engagement to build upon existing common elements in Members' position that leads to consensus-based meaningful results.

On agriculture negotiations, we align to the statement delivered by Panama on behalf of Article XII Group members. Recently, we have seen revival of the agriculture negotiations. Different Members have come up with proposals showing interest and willingness to take further steps to reform the sector and address the subsidies and high trade barriers that distort agricultural trade – but focusing mainly on one pillar. In this context, I would like to reiterate that, the Republic of Moldova, as an Article XII Group member, the negotiations in all agriculture pillars remain relevant as imbalances continue to remain between the commitments of Article XII Members and the original ones.

Tariff negotiations must result in substantial reform in trade distorting domestic support and market access where Article XII members including Moldova clearly went for trade liberalization reducing subsidies entitlements binding its coverage as 100% and reducing tariff barriers – expecting original Members would follow suit as they had agreed previously.

As mentioned repeatedly in different meetings and formats by our Article XII colleague from Panama, we do not seek to backtrack on commitments we undertook on accession at the request of Members with much higher levels of entitlements and flexibilities. However, this means that, to reach a level playing field, all Members, especially those who currently have the highest levels of flexibilities will have to make significant adjustments.

With that in mind, Moldova commends Facilitators of small groups for their efforts made to reinvigorate the discussions and, in this context, we will be ready to support Members' proposals targeted to substantially increase market access for agricultural goods and progressively reduce trade and production distorting domestic support in a fair and proportionate manner that will take into account the commitments made by Article XII Members.

Additionally, we shall take into consideration the complexity and interlinkage of this negotiation with other sectors as services, intellectual property rights and others which shall result in more realistic expectations towards MC12 and beyond.

On JSIs, we are co-sponsors of all JSIs establishment in the WTO. As many other Members, we see this initiative as substantial deliverables at the Ministerial Conference and beyond. This will enable the multilateral trading system to catch up with new realities of global trade. Moldova remains committed to support and make greater contributions as we move forward including in some newly established initiatives such as Trade and Health as well as Trade and Environment Sustainability.

We maintain the view that our common efforts must be oriented towards keeping the WTO relevant and efficient including from these trade issues which added some fresher air to negotiations within the WTO – registering commendable results during last year. We also encourage other Members to support these initiatives.

44. Angola

My delegation aligns itself with the statement made by Chad, on behalf of the LDC, by Jamaica, on behalf of the ACP, and by Mauritius, on behalf of the African Group and in order not to be repetitive, we will only refer to two negotiations clusters.

It was difficult to realize that, even before the outbreak of COVID-19, global food systems faced a "double challenge" of, simultaneously providing food security and nutrition to a growing global population while, ensuring the livelihood of millions of people. Today, COVID-19 compels us to reinforce the idea that we must take urgent action to ensure that food supply chains continue to function in order that satisfy everyone's needs.

We continue to hope that our appeals, have the appropriate support in the ministerial decisions, regarding the agricultural cluster, namely:

- Negotiations should result in fair rules and address the systemic imbalances in the Agreement on Agriculture. Fairness will be driven by reform of domestic support, and by reducing drastically or eliminating subsidies that distort agricultural trade;
- The green box support represents the largest volume of support in some of the major subsidiaries. Hence the need for greater transparency in order to ensure that, in fact, it is not distorting trade;
- SDT, especially for LDCs, should be an integral part of any outcome in this area;
- Reiterate our request for aggregate measurement of support (AMS) above the minimis.
- A permanent solution to the issue of public stockholding for food security purposes and allowing them to use a SSM to counter import charges and prices drops in food commodities and cotton, should include the following elements: (i) cover existing and future programs; and (ii) not impose onerous requirements of transparency.

Regarding fisheries subsidies cluster, it is important to fulfil the mandate of the Ministers to complete the negotiations, hopefully this year.

It is more than clear that the objective of the negotiations in this cluster is to elaborate disciplines to eliminate the subsidies that contribute to IUU fishing (Illegal, unreported, and unregulated fishing), overfishing and overcapacity and save the efforts of the President. Angola continues to see with despair that countries, that most subsidize, do not yield, but technically introduce texts that are not very clear, causing the process to stagnate and still request the introduction of more exceptions.

With this behaviour it will be very difficult to preserve our oceans. We need to ban all forms of harmful subsidies as well as defining geographical limits of fishing to protect marine fauna.

Angola reiterates the principle that, negotiations in this area should i) preserve the sustainable development of our fishing industry, mainly artisanal and for subsistence purposes; ii) respect the rights of coastal States and not impose disproportionate burdens on developing countries, including LDCs.

We call on all members to continue a frank and constructive dialogue, and not to lose the focus that "developing countries needs and interests" should always be at the heart of this Round.

45. Uruguay (Informal Working Group on MSMEs)

As I reported at the last TNC Meeting, the WTO MSMEs Group officially endorsed a package of six recommendations and declarations to support MSMEs' participation in international trade. The document was circulated as document INF/MSME/4 in December. Since then, Ukraine, Mauritius, Togo, Thailand, Kuwait and Cambodia have expressed their support to the package. This brings the total number of Members sponsoring the package to 95. A revised version of the document with the additional sponsors will be circulated in the coming days.

As for the activities of the group, we continue to interact closely with the private sector to identify potential issues and solutions to promote MSMEs' participation in international trade. On 15 December, we held a webinar with the private sector to present the package of recommendations followed by a discussion to explore topics that could be considered by the Group. Around 200 participants attended representing all regions and levels of development. On 18 February, the Informal Working Group held its first open-ended meeting with presentations by international organizations and business associations as well as discussions of new topics of interest to the group.

While implementation of the package is clearly a priority, we are also thinking about our objective for MC12, specifically, delivering a practical outcome.

I would like to conclude my statement reminding delegations that this is an open group – open to all WTO Members. The more Members join the MSMEs cause, the more impact we can have on our MSMEs especially in these very hard times that we are facing.

46. Uruguay

Uruguay welcomes the appointment of Dr. Ngozi Okonjo-Iweala as WTO Director General and future Chair of this Trade Negotiations Committee at the level of Heads of Delegation. We express our full commitment to working with her to advance the WTO reform agenda, particularly in the run up to the Twelfth Ministerial Conference.

Agriculture

Uruguay wishes to thank Ambassador Gloria Abraham for her work and report on the state of play of the negotiations in this area.

We welcome the increased exchanges at the technical level in the facilitator process and in the three pillars and seven topics of these negotiations.

Uruguay has participated and will continue to participate actively and constructively in the discussions, and hopes that the work in different configurations results in an incremental yet significant package of outcomes on agriculture this year.

In particular, Uruguay hopes that we are able to make progress in the discussions aimed at agreeing an overall goal for the limitation and reduction of the authorized levels of production and trade distorting support globally, based on the principle of proportionality in contributions and taking into account individual development needs.

Furthermore, Uruguay will continue to participate actively in the discussions on the various aspects that may contribute to an outcome on market access, including the outline of a general framework for the setting of principles designed to reinvigorate negotiations in this crucial area of agricultural reform, in which so much remains to be done.

Fisheries

Our delegation considers that the need to fulfil the mandate continues to be urgent and reiterates its commitment to concluding negotiations this year.

Arriving at the Twelfth Ministerial Conference with an agreement ready to be adopted by Ministers will be a key test for this Organization to demonstrate that it is still able to fulfil its mandate by securing a shift in the course of the global fishing fleet towards sustainability.

It needs to be understood that this negotiation requires us to look beyond national interests in order to reach an agreement that is anchored in the higher interest of the international community for the fulfilment of the Sustainable Development Goals.

Lastly, we reiterate our support for the leadership of the Chair of negotiations in order to reach compromises and a substantive agreement that changes the status quo.

47. Costa Rica (Joint Initiative on Services Domestic Regulation)

I welcome the opportunity to provide an update on the open-ended negotiations in the context of the Joint Initiative on Services Domestic Regulation.

After a very productive 2020, all Members participating in the Initiative – 63 at the moment, covering about three-quarters of world services trade – consider that in these negotiations there is genuine potential for an outcome in the near future. The adoption of disciplines that can contribute to further facilitating services trade and promoting economic growth and development is the primary goal of Members participating in this Initiative.

Thanks to the hard work and pragmatic attitude of all delegations throughout last year, I was able to issue a revision of the draft Reference Paper in December 2020. It constitutes a "close to final" version of the negotiating text.

57 Members have already circulated their indicative draft schedules, which signal how the disciplines would be incorporated in their respective GATS Schedules: these drafts confirm participants' commitment to a legally binding GATS-plus outcome, to be applied on an MFN basis.

The disciplines on services domestic regulation build upon regulatory obligations in the GATS and represent improvements of participating Members' existing commitments.

In substance, they precisely cover the types of measures that are listed as areas for GATS additional commitments, namely qualifications, licensing, and standards.

And they will be given legal effect not by adding a new agreement to the WTO architecture, but by applying well-established multilateral WTO procedures to improve Members' Schedules of specific commitments.

Let me also reiterate, that the GATS Article VI:4 mandate – to develop any necessary disciplines on domestic regulation – is not, will not, and cannot, be affected by the fact that Members participating in this Initiative will undertake additional commitments on domestic regulation.

Looking ahead, 2021 represents a very important year for the Initiative: while working hard to stabilise the text of the Reference Paper and to gain the support of additional WTO Members, the

Initiative is planning the next procedural steps to finalise the negotiations, and in particular the time and modalities for fruitful ministerial engagement.

Services domestic regulation is, as has been stated on several occasions, one of the most promising prospects for delivery by MC12. Attaining a meaningful result will renew energy and trust in the multilateral trading system and the WTO as a negotiating forum.

The Initiative's process will remain open, inclusive, and transparent to all WTO Members. I invite all Members not already part of this process to engage actively in the discussions and consider joining the Joint Initiative on Services Domestic Regulation.

48. Sri Lanka

With the assumption of duties by Dr. Ngozi Okonjo-Iweala physically on Monday, we will proceed into a new phase of WTO's affairs and strongly believe that we will see real progress on many key issues during her tenure of office.

COVID-19 had affected all aspects of their lives and it continues to do. It is still posing significant challenges to the already strained food, nutrition and livelihood security of poor and vulnerable farmers, in several developing countries and LDCs.

It had forced countries to reconsider their priorities and review their development plans for the future years making human life and human health top priorities together with employment, education and social welfare.

Trade finance and resilience of national economies are policy objectives for economic revival. At present, Sri Lanka is desperately trying to handle two main challenges at the same time: the low and volatile prices of its major exports to the world, the loss of export revenues and the COVID-19 pandemic, particularly the renewed challenges emanated with increased number of infections. All three of them continue to have huge impacts on Sri Lanka's economy. Like everywhere else, all sectors have been greatly affected and many people had lost their jobs and livelihoods.

Due to the volatility, COVID-19 has added more challenges to the limited resources of developing countries and particularly to the small developing countries such as mine. The pandemic is showing the gap in their digital infrastructure when people have to work from home and students have to pursue their education using means of virtual schooling. Connectivity issues and lack of skills have been obvious. Many SMEs have lost their businesses.

As we are still witnessing the challenging times that it is required for us demonstrate solidarity and cooperate with each other in tackling the issues impacting their economies, while according and upholding the cardinal principles of the special and differential treatment.

Turning to the mandated negotiating issues:

We are of the view that there is a lot of work that need to be done to ensure meaningful progress on the mandated issues. Agriculture and fisheries subsidies negotiations currently need Members' utmost attention in the lead up to MC12.

Sri Lanka wishes to highlight the crucial importance of making substantive progress in the area of agriculture negotiations, and in particular, the WTO needs to achieve significant progress to achieve a permanent solution on public stockholding for food security purposes and a comprehensive and balanced outcome on a special safeguard mechanism. Members should redouble their efforts to advance those mandated issues, rather than brining new issues for which there are no negotiating mandates. In the context of agriculture reform, particularly on reforming disciplines on domestic support, the efforts being made to categorize subsidy programmes covered under Article 6.2 as trade distorting is very disturbing and there should be a balance and Members should focus and promote programmes that ensure food security, as they are essential in addressing the challenges faced during the current pandemic and its future impact.

On fisheries subsidies negotiations, despite technical difficulties associated with remote participation, Sri Lanka had actively engaged in the negotiations. Any outcome in those negotiations should stay true to the SDG 14.6 mandate and be in keeping with all established principles of the covered

agreements. Further, Sri Lanka urges the Members to remain in line with the Buenos Aires mandate in prohibiting certain forms of subsidies that contributed to overfishing and overcapacity. It is not the WTO's mandate to encroach on to other international organizations that have a mandate on fisheries management and sustainability issues. In fact, the overlap approach is contributing to prolonging the negotiations.

Further, Ensuring SDG 14.6 should not be at the expense of attaining other SDGs. The cure should not be worse than the disease. Regular fisherfolks, who rely on government support for their livelihoods and those of their families and communities, should be given special consideration. The disciplines should not punish the individuals and communities who often times operated under harsh circumstances. Too many of those communities not receiving support would mean no work and no money and would ultimately lead to more poverty. That would impede the attainment of SDG 1 which aimed at ending poverty in all its forms everywhere by 2030.

Members should do all they can, so that they would not solve a problem by creating a new one. In the same vein, the developmental gap between countries could not be ignored and should be taken into account. Any outcome should preserve appropriate S&DT according to the mandate and Members' needs.

In addressing the impasse on the Appellate Body, Sri Lanka calls on Members to renew their political will in resolving the issue in an expedited manner. No doubt that as already stated, Dr. Ngozi our new Director-General should place that agenda as an immediate priority in order to facilitate a new dialogue between Members to end the impasse.

In conclusion, we wish to assure the entire membership that Sri Lanka, which still believes that WTO system promotes and upheld realization of equal benefits to its members, will continue to participate effectively and meaningfully in the ongoing negotiations while making its contributions towards successful outcomes at MC12.

49. Bolivarian Republic of Venezuela

The Bolivarian Republic of Venezuela welcomes the convening this meeting, the presentation of your activity report and the reports of the chairs of the negotiating groups.

Given the multiple challenges we are collectively facing, there is undoubtedly an urgent need to reconfigure the multilateral trading system to bring it into line with the changing times. However, any approach to reform must start by recognizing and taking action on the historical issues that have been left lagging behind on the WTO agenda and which are essential to ensure that trade is a truly inclusive development tool for all its Members. We need a fair, reliable and predictable multilateral trading system, based on solidarity and common and transparent rules, which respects States' sovereignty and their inalienable right to self-determination.

Our Delegation places priority on the principle of appropriate and effective special and differential treatment for developing countries and least developed countries. In the negotiations on fisheries subsidies, we hope that more flexible rules for artisanal and small scale fisheries can be adopted. In the negotiations on agriculture, we hope that flexibilities for Net Food Importing Countries will be recognized and that specific areas of flexibility can be incorporated to enable us to achieve the objectives of food security, security of the means of subsistence and rural development. In the negotiations on trade and development, we support the G90 proposals.

With regard to the organizational structure of the WTO, we reiterate the urgent call to reactivate the Appellate Body. The need for reform is no argument for forcing it into a state of paralysis.

Added to this busy agenda is the urgent need to provide a collective response to the COVID 19 pandemic. In this context, our country co-sponsors the document entitled "Proposal for a Waiver from Certain Provisions of the TRIPS Agreement for the Prevention, Containment and Treatment of COVID 19", which calls for a waiver for all WTO Members from certain provisions of the TRIPS Agreement relating to the "prevention, containment or treatment" of COVID 19. We are convinced that we must rise to the current challenges and be willing to facilitate access to vaccines and other essential resources to tackle this pandemic, and it is clear to us that the collective interest must prevail as the only option.

In addition to the crisis caused by COVID 19, in Venezuela there is also the negative impact of the illegal unilateral coercive measures imposed by the United States and its allies, which is significantly reducing financing sources, impeding the supply of medicines and medical equipment and affecting the enjoyment of human rights and the right of peoples to self-determination, in violation of international law, the Charter of the United Nations, the rules contained in the WTO Agreements and the principles governing peaceful relations among States. The preliminary report prepared by the UN Special Rapporteur on the negative impact of unilateral coercive measures on the enjoyment of human rights, Ms Alena Douhan, on her visit to our country from 1 to 12 February 2021, confirms this. I invite you to read this initial report carefully and I appreciate the understanding and solidarity of WTO Members in denouncing the unilateral coercive measures as a criminal practice and a violation of public international law.

Acknowledging the coordinated work carried out by the four Deputy Directors General during this transition period, I would like to end my statement by reiterating our hopes for the new phase beginning in this Organization on 1 March. We extend our best wishes to the Director General for every success in her new role, together with our wish to contribute from the different parts of this Organization to the consolidation of dialogue among peoples, international solidarity and peace diplomacy. She can count on all the support of our Permanent Mission.

50. Thailand

At the outset, Thailand would like to thank you and the Chairs of negotiating bodies for the comprehensive reports provided.

Last week, the WTO marked a historical milestone by reiterating its solidarity and endorsing the appointment of the new WTO Director-General, Dr. Ngozi Okonjo-Iweala. This has sent a much-needed positive signal that the WTO is now ready to embark on the next chapter.

As highlighted by the incoming DG in her statement, many challenges remain, and we all have a responsibility to step up and take an active part to bring the global economy back on track, and Thailand supports Dr. Ngozi's efforts to make the WTO an instrumental force for a strong, transparent, and fair multilateral trading system.

Having said that, we would like to reiterate the three areas of issue which are of most crucial for the WTO.

First, the issues of immediate urgency that members need to agree upon as soon as possible, include:

- Deciding on the date and venue for MC12 to allow the members to chart our work ahead to effectively arrive at concrete outcomes by MC12.
- Delivering a meaningful multilateral agreement on fisheries subsidies with a view to fulfilling the ministers' mandate and SDG 14.6.
- Finding mutually agreeable solution on Appellate Body impasse to preserve a well-functioning two-tiered Dispute Settlement System.

Second, to ensuring trade flows and minimizing impacts from the pandemic. With that, Thailand would like to urge members' cooperation in several key areas, including exempting the imposition of export restrictions for food purchases by the World Food Programme, promoting participation of MSMEs in international trade, and enhancing trade facilitation for timely and efficient release of global goods, to ensure the WTO's proactive role in the fight against the global pandemic.

Third, issues relevant to promoting timely global economic recovery. These will be key to restoring resilience, achieving inclusive economic recovery, and at the same time strengthen the WTO's relevance.

- Agriculture, an agreement by MC12 on a concrete and meaningful negotiating framework on domestic support that aims to tackle trade distorting domestic support in a proportionate manner will be imperative.

- On the Joint Statement Initiatives on E-Commerce and Services Domestic Regulations, Thailand remains committed to the negotiations process with an aim to making substantial progresses at MC12.
- As a co-sponsor of the Informal Dialogue on Plastics Pollution and Environmentally Sustainable Plastics Trade, Thailand would like to encourage engagement of members with a view to tackling plastic pollution and pave way for a better sustainable circular economy.
- Lastly, a reform of the WTO focus on strengthening the efficiency and effectiveness of its transparency and monitoring functions is needed, as well as consideration of balanced integration of emerging trade-related issues to the WTO's work. This would ensure that the WTO can support members in addressing new and traditional challenges in an effective, inclusive, and sustainable manner.

51. India

First of all, let me place on record our appreciation to all the DDGs and the GC Chair in ensuring smooth working of the WTO during the transition period in the past few months. It is indeed a matter of great relief and satisfaction that the new DG is assuming office next week.

I also thank the DDG for his report and the Chairs of the Negotiating Groups on Rules, Agriculture, Development, Services and the TRIPS Council for their respective reports.

State of Play

The selection of new DG and the possibility of MC12 later this year have given us a good start to 2021. I hope we can sustain this positive momentum for the rest of the year and conclude it on a happy note by delivering a successful MC12. The road ahead, however, has some obstacles. The continued impasse of the Appellate Body and our inability to agree on a package of meaningful measures to address the pandemic is symbolic of the deep divisions. We are also quite far from an agreement on fish subsidy negotiations.

WTO has responsibility to facilitate recovery of global economy through trade. In order to do that, we need to do better in 2021. But in our zeal to demonstrate performance, we should not push down issues that did not make any headway in the past 10-15 years. The need of the hour is finding practical solutions that is needed during a pandemic to save human lives, livelihood bring back consumers' confidence and arrests the losses in the world output and thereby restore growth in trade.

TRIPS Waiver

There is no difference of opinion on vamping up manufacturing of COVID-related products including vaccines. The proposal for temporary waiver from the provisions of TRIPS Agreement is first on our priority list. We need true vaccine internationalism and the Waiver is an effective and pragmatic way to achieve it. An outcome on this will not only help in saving valuable human lives but will also give a comforting signal to boost the consumer confidence and will accelerate the recovery of world trade and world GDP. All sectors of economy are equally important for growth, therefore, interest of few companies to the tune of tens of billions of dollar should not come in the way of restoring trillions of dollar of world output and hundreds of thousands of human lives. Imposition of lockdown does not mean that Members have given up on the principle of Right to Life or Right to Freedom of Movement; in a similar manner temporary waiver of certain provision of TRIPS agreement, by following due process does not mean that Members have given up on the principle of Intellectual Property rights.

Movement of healthcare Professionals

The pandemic has highlighted the need for ensuring easier cross-border movement of health care professionals. Members who could have been able to mobilize a greater number of such professionals to save lives were not able to meet increased demand due to restrictive trade practices in Services sector. We must start working on having a multilateral initiative in this respect for an outcome in MC-12.

Appellate Body

Resolution of the crisis in the Appellate Body is another priority. We must immediately re-engage to restore the two-tier dispute resolution system.

Reform Agenda including Special & Differential Treatment (S&DT), Legal Status of JSIs

- We draw Members' attention to the document WT/GC/W/778/Rev 3 that India along with other co-sponsors tabled before the December 2020 GC. The proposal encompasses the priorities of developing countries including LDCs regarding an inclusive and balanced reform agenda for the WTO. It also emphasizes how S&DT is central to the founding principles of the WTO. We strongly support the G90 proposals contained in the document JOB/TNC/79 and are pleased to see progress on textual discussions. We hope for a meaningful outcome by MC12.
- On legal status of JSIs and their negotiated outcomes, India and South Africa has circulated a document WT/GC/W/819. I do believe that Members would find it useful and timely.

Agriculture

The facilitator process is moving forward and we hope very soon we will have their comprehensive reports of consultations and progress. India is actively and constructively participating in these facilitator consultations, but our priorities remain to find a permanent solution to the PSH. We believe any effort to meet the food security challenges must address the structural deficiencies. A simple, efficient, and permanent solution on extending PSH for food security purposes to new programs and new products should be a key deliverable.

Fisheries Negotiations

I once again reiterate that common but differentiated responsibility and 'Polluter Pays' principle should be applicable in any agreement relating to sustainability. Those who have provided huge subsidies leading to overfishing and over capacity should take higher cuts in subsidy and capacity. We will not accept an outcome that favours those with advanced fisheries conservation and management measures while putting at disadvantage developing countries who have to catch up on these measures. Fishing nations with large number of industrial vessels should set the example by voluntarily reducing their harmful subsidies and capacity; and repay their overdue 'debt', in proportion to what they owe. S&DT in the final outcome must be effective and appropriate, having regard to the development needs, livelihood and food security concerns of millions of small fishers of developing countries including LDCs.

Electronic Commerce

The pandemic has shown that the need of the hour is to build capacity in areas such as digital skills and digital infrastructure, rather than negotiating binding rules on e-commerce. It is time to bring clarity on the scope of the moratorium on custom duty on electronic transmission, its potential impact on the sustainability of the domestic industry and negative impact on job creation and revenue generation. We need to reinvigorate the mandated work under the 1998 Work Programme on e-commerce in various Councils.

To conclude, in 2021 India stands ready to work cohesively to put in place balanced outcome that addresses both the immediate priorities confronting the WTO and the long-term solutions it needs.

52. South Africa

We support the Statements by the ACP and the Africa Group.

We welcome the conclusion of the process for the appointment of Dr Ngozi Okonjo-Iweala. We look forward to the DG's facilitative role as Chair of the TNC on the mandated issues which need to be prioritized especially in the context of the upcoming Ministerial conference.

COVID-19 has resulted in the biggest health and economic crisis that has devastating socio-economic implications for all our countries with a disproportionate impact on developing countries. We need to define the agenda carefully informed by the unprecedented challenges presented by COVID-19. Such an agenda must promote inclusive economic recovery. The time is ripe for a conversation about the nexus between trade and development and the contribution of the WTO in achieving the goals set in the Marrakesh Agreement. The agenda we set must be realistic, be responsive to the current context and recognize the strategic vulnerabilities exposed by the pandemic. Economic recovery depends on our ability to deal with the pandemic, a solution-oriented conversation is urgently needed on securing timely, affordable and equitable access to vaccines and therapeutics and we must find a balanced outcome on the TRIPS Waiver.

In relation to Agriculture, substantial reform of domestic support is urgent and we must have an outcome at MC12. A food security agenda is going to be critical. This can start with a contribution to the WFP, to be complemented by a permanent solution for PSH and preserving support to resource poor farmers under Art 6.2. A meaningful outcome in agriculture negotiations should address historical imbalances, promote food production, address concentration and must also deliver on cotton and SSM. We reiterate that the process must be inclusive, transparent and allow participation of all.

On Fisheries Subsidies Negotiations, we thank the Chair for his report and efforts. The aim of the negotiations is sustainability, therefore the concept of common but differentiated responsibility is key. The outcome must ensure that members that provide harmful subsidies cannot continue to do so. Importantly, management aspects should not be brought into the WTO. Disciplines must target large scale industrial fishing and safeguard food security and livelihoods of small-scale fisheries. The outcome must deliver on all the pillars of the mandate, including S&D. In this regard, S&D should be meaningful and cannot be limited to transitional periods. Text-based negotiations must be inclusive and Member-driven.

In relation to S&D, we thank the Chair for convening the first of a series of substantive discussions among Members on the G90 ASPs. S&D is a treaty embedded right and the mandate is to make it precise, effective and operational. This mandate remains important in ensuring fair and equitable outcomes in the WTO. We call on Members to engage on the G90 proposals in good faith.

In relation to JSI, as indicated in document WT/GC/W/819 on "The Legal status of JSIs and their negotiated outcomes", any group of Members may discuss any issue informally. However, when such discussions under JSIs turn into negotiations and their outcomes are sought to be formalized into the WTO framework of rules, it can only be done in accordance with the rules of procedure for amendments and decision-making as set out in the Marrakesh Agreement. We look forward to a discussion on this issue at the upcoming GC. South Africa reiterates the importance of consensus decision making which remains a cornerstone for the multilateral trading system.

On e-commerce, the multilaterally mandated work is the Work programme and we must reinvigorate the work through the various bodies of the WTO. The outcome on the e-commerce moratorium at MC12 will depend on clarifications with regard to the scope and definition of electronic transmissions.

The dysfunctionality of the Appellate Body is a systemic issue that undermines the enforcement function of the WTO, renders the negotiations pointless and must be resolved as a matter of urgency.

In relation to WTO reform, we must safeguard the multilateral character and preserve the key principles of the WTO, as well as ensure an inclusive multilateral trading system that promotes equitable growth and development. Importantly, WTO reform must support the structural transformation of our economies, employment and improving living standards.

We once again congratulate Dr. Ngozi Okonjo-Iweala and we look forward to work constructively with her and the membership as we prepare for MC12.

53. Mauritius (African Group)

I deliver this statement on behalf of the African Group.

At the outset, allow me to thank you and the Chairs of the Negotiating Groups for the update.

2020 was a challenging year. The world was unexpectedly struck by the COVID-19 pandemic that put to test the natural predisposition of countries to strike the right balance between competition and collaboration.

At the level of the WTO, the system was challenged as the Appellate Body became non-functional and the Organisation remained without a Director General for several months.

We commend and thank the dedicated team of DDGs who have steered the Secretariat in trying times to ensure that the WTO continues to play its crucial role as the cornerstone of the multilateral trading system.

The year 2021 augurs well for the organisation. The appointment of Dr. Ngozi Okonjo-Iweala to the post of Director-General two weeks ago was a historical moment for the membership, the institution and of course, the grand lady that she is.

We can now turn our attention to the preparations for MC 12

The African group will work constructively with all Members and with Dr. Ngozi and her team towards the consolidation of the WTO as a people centred organisation that drives trade within a universal framework of development, sustainability and inclusivity.

As we expect an intensification of discussions, over the coming months, including on the various issues that would eventually constitute the MC12 outcome, let me highlight some of the areas that the African Group considers crucial.

TRIPS Waiver

First and foremost is the need to secure peoples' health and enable countries to deal with the COVID-19 pandemic. These days it is often repeated that 'no one is safe until everybody is safe'. To us this is a logical adaptation of the principle of collective security in the face of a deadly pandemic.

We regret deeply that there is no agreement as yet agree on the TRIPS Waiver proposal initiated by India and South Africa, and which now has more than 50 co-sponsors, including the Africa Group. Whilst financial aid is welcomed, it is insufficient on its own to meet the target of equity in vaccines. We need to produce more and produce faster as variants come to further challenge our capacity to provide adequate vaccines, and indeed other medication for the global population.

We, therefore, need to address the issue of timely, equitable and affordable access in a balanced manner as part of a balanced outcome at MC 12.

Development

Special and differential treatment remains essential for developing economies, including LDCs and small island developing states. In fact, the vulnerabilities of African economies have been laid bare by the COVID-19 pandemic, highlighting the need for flexibilities and policy space to pursue economic recovery in a sustainable manner.

We are confident that the G90 document provides a good basis for discussions on the operationalisation of the ten carefully identified SDT provisions. Without effective and operational SDT, existing or new trade rules would have little meaning for African countries as our rightful development aspirations will remain elusive.

Agriculture

We see Agriculture, and Fisheries as part of the Sustainability agenda of the WTO. The African Group emphasizes that agriculture is an area of utmost priority and looks forward to a balanced and concrete outcome which would include a permanent solution on PSH and SSM for developing countries especially LDCs and NFIDCs, and which would address inequities arising from trade distorting domestic support, including for cotton.

The African group stands ready to engage in good faith with others with a view to reaching a meaningful and development friendly outcome. We look forward to participate in a transparent and

inclusive process that seeks to build convergence and we stand ready to work with the Chair and the Facilitators in this regard.

Cotton

The African Group calls for progressing work on the cotton issue. We request that the C-4 submission of a draft General Council Decision for a Joint Action Plan to enhance support for cotton by-product development in LDCs be advanced. We trust that through such an Action Plan, resources can be mobilized to support the implementation of projects and programmes envisioned therein.

Fisheries Subsidies

On fisheries subsidies negotiations, we thank the NGR Chair, Ambassador Santiago Wills, for his tireless efforts to move the negotiations forward.

We also thank Ambassador Didier Chambovey for patiently listening to us and endeavouring to find convergence on SDT – an area of discussions that is important for the African Group and which is unambiguously included in our negotiation mandate from MC11.

The African Group once again expresses its concern over the lack of progress and persisting divergences on the approach to disciplining subsidies that contribute to overcapacity and overfishing.

Let me highlight that it is our collective responsibility to agree on a balanced outcome on fisheries subsidies that would embed sustainability in WTO rules. In so doing, the sovereign rights of members in managing their marine resources should remain untouched. The acceptance of the principle of common and differentiated responsibility should guide us in successfully concluding the negotiations.

Electronic Commerce

While e-commerce has boomed since the beginning of the pandemic, its benefits have not been fairly or equitably distributed highlighting the existing digital divide.

The African Group, therefore, advocates the need to reinvigorate the 1998 Work Programme with a view to comprehensively addressing the development aspects of e-commerce facing African countries.

Appellate Body

Since more than a year now, we have a non-functional Appellate Body as the vacancies have not been filled. Such a state of affairs undermines the credibility of a rule-based system and encourages violations. Urgent action is therefore needed to bring the Appellate Body back in operation.

WTO Reform

The African Group recalls its paper WT/GC/W/778/Rev.3. We wish to emphasize the need for discussions on WTO reform to be always inclusive, transparent, realistic and more importantly, enhance the development role of the organization.

To conclude, let me take this opportunity to convey the appreciation of the African Group to Ambassador Walker for fulfilling his mandate as the General Council Chair with professionalism and dedication. His tenure delivered on the advancement of the WTO agenda in the face of many odds and a chapter of history with the appointment of Dr Ngozi as Director General. Your Chairmanship will be remembered Ambassador Walker.

54. Afghanistan

I express our appreciation to the Chairpersons of Negotiating Bodies for their respective updates on the current state of negotiations. I would like to express our gratitude to the DDGs and the WTO Secretariat for their tireless efforts.

The year 2020 was an exceptionally difficult year for all of us with the unprecedented health crisis due to the COVID-19 and its impact on our economies. The WTO has a vital role to play in overcoming the challenges exacerbated by this pandemic.

Taking stock of the progress made in the WTO trade negotiations in the past, we should look at prospects for 2021 at this first meeting of the Trade Negotiations Committee of the year. With the appointment of our new Chair, Director-General Okonjo-Iweala, and the Twelfth Ministerial Conference in horizon, we hold the view that WTO Members must overcome the challenges recently faced to deliver substantive work and achieve concrete outcomes to reap the benefits of the global trade and development, based on fair, inclusive, sustainable, and rules-based multilateral trading system.

My delegation supports the current negotiations and subscribes to the call upon all Members to engage constructively to achieve possible convergence on key issues such as development, based on solution-targeted and result-oriented approaches and efforts.

To this end, Afghanistan is committed to engage in these efforts and we believe that the current pace of the negotiations should be accelerated based on their mandate and urgency to balance and sustain the benefit of the global trade for all Members, especially for the most vulnerable economies and LDCs.

Special and differential treatment is an essential part of the WTO Agreements for a fairer and more equitable system. All S&DT measures must be made more effective in compliance with the paragraph 44 of the Doha mandate - in line with the founding principles of the WTO.

Afghanistan thanks Ambassador Wills for his progress reports and for advancing the fisheries subsidies negotiations. We recognize that there is still some work to be done to reach an Agreement and hope there will be a concrete outcome by MC12 to contribute to the Sustainable Development Goals.

Agriculture Negotiations, especially on domestic support, remain a priority. We defend a reduction of the type of domestic support which distorts markets and competition, to the detriment of LDCs producers.

My delegation welcomes the progress made in the Joint Initiatives on investment facilitation and micro, small, and medium sized enterprises. We reiterate our call for flexible rules in these areas considering Members' levels of development.

We encourage Members to support the MSMEs package and we hope that its proper implementation contributes in MSMEs better access to global markets.

Finally, Afghanistan supports the statements by Chad on behalf of the LDC Group, and by Panama on behalf of the Article XII Group.

55. Fiji (Pacific Group)

We associate with the statement by the ACP and the LDCs.

COVID-19 continues to adversely affect the global economy and we need to ensure that new rules under discussions in the various areas are able to support the rebuilding of our economies. At the same time, we should ensure that COVID-19 is not used as an excuse to delay important negotiations. One such negotiation is fisheries subsidies.

The Pacific Group commends the Chair of the Negotiating Group on Rules for his continuing hard work to assist Members move forward in the negotiations. The circulation of the Chair's second revised draft consolidated text on 18 December 2020 and the convening of two negotiating clusters have helped us to deepen our understanding and engagement on technical and legal issues. However, much work remains to agree on approaches in overcapacity and overfishing and to resolve many technical issues as well as crosscutting issues which are less advanced. Small group discussions need to remain transparent and inclusive of all Members.

For the Pacific Group, this agreement must deliver the SDG 14.6 mandate as well as contribute to the Pacific Alliance's objectives to strengthen management and conservation measures and to maximize economic returns to our fisheries resources. This agreement should target harmful subsidies and not fisheries management. These disciplines must be proportional and target large subsidizers and large industrial fields. In addition, this agreement should not undermine the rights of coastal States of our national jurisdictions including our rights to overfishing access on terms that we determine as enshrined in UNCLOS.

Our Group also commends the constructive work on S&DT by Ambassador Chambovey. For the Pacific Group, the fisheries sector is not only a matter of trade but this an important development sector. Therefore, special and differential treatment should not be limited to the transition periods and technical assistance and capacity building but should include the preservation of small scale artisanal fishing for livelihood security. Moreover, policy space must be given to developing Members especially small vulnerable economies and small island development States that have limited fishing capacity at present to enable them to develop their fisheries sector in the future.

COVID-19 has compelled us to diversify our economy to build resilience and the fisheries sector presents us with that potential. The Pacific Group remains committed to working with Members to deliver a meaningful agreement on fisheries subsidies.

On agriculture, the Group commends the CoA SS Chair and the Facilitators in assisting Members identify elements of negotiations. COVID-19 has exposed the vulnerability of import depended countries like those in the Pacific Group to the trade and export restrictions imposed by our trading partners. We continue to support discussions on reduction of trade distorting domestic support and finding solutions to PSH and SSM. As beneficiaries of the WFP, the Pacific Group thanks Singapore for its leadership of the World Food Programme Joint Statement.

On development issues, the economic impact of COVID-19 in our region has been far-reaching with trade significantly reduced and key sectors affected. These have reinforced the need to reduce our dependence on one sector like tourism and to move towards the diversification of our economies. The G-90 proposals are more relevant now to help rebuild and diversify our economies. The Pacific Group therefore urges Members to engage constructively in discussions on the G-90 proposals.

On TRIPS, the Pacific Group encourages constructive discussions on the TRIPS Waiver for the containment and treatment of COVID-19 proposed by India and South Africa. This has been supported by many developing countries who fear being left behind as vaccines are rolled out in developed countries. While respecting the role of IP in supporting innovation, we must find solutions to ensure equitable access to vaccines at affordable prices. No one is safe until everyone is safe. Until everyone is safe, we cannot expect to rebuild back faster and better.

56. Fiji

We associate with the statements by the ACP and the Pacific Group.

In terms of key issues for MC12, my delegation regards the following as priorities:

First, we must address the disproportionate effects of the COVID-19 pandemic especially on small and vulnerable economies by pursuing avenues to assist Members who have been severely affected by the pandemic with serious implications on the services sector. Our tourism industry generating 40% of our GDP came to an abrupt halt. Small economies such as Fiji therefore need vast inflows of capital including grants, concessional loans and debt forgiveness to recover from the economic crisis caused by the pandemic. This is our next great global challenge awaiting us.

Second, the WTO needs to up its game and devise alternative avenues with its existing rules to provide flexibilities to small and vulnerable economies as in the Pacific that remain at the forefront of natural disasters and climate change which continues to shatter infrastructure, food security, trade capacity, agriculture, services sector and people's daily livelihoods. This remains a heavy burden each year for our country. Since 2016, cyclones have struck Fiji – one of those set the record as the hemisphere's strongest ever. In view of the 2030 SDG Targets and the ongoing rage of natural disasters and effects of climate change, the SDG Targets remain gloomier.

Third, on the fisheries subsidies negotiations, we thank Ambassador Wills for his continued perseverance and hard work. At this stage, we remain concerned that the fisheries subsidies agreement is deviating from the mandate of SDG 14.6 to prohibit certain forms of fisheries subsidies which contribute to overfishing and overcapacity. We are concerned on the emphasis on conditions attached to the prohibition whereby Members could continue to fund overcapacity and overfishing as long as they have the ability to demonstrate fisheries management. If fisheries management worked in the past, we would not have been at this alarming stage. This discipline therefore must be proportional to target large and heavy catchers and leave aside those with limited to no capacity to subsidize.

57. Colombia

In this statement, I would like to discuss four specific issues, which are fundamental to Colombia, concerning the ongoing negotiations, which we hope will deliver positive results in the coming months.

Firstly, with respect to agriculture, we wish to highlight the renewed push that Ambassador Abraham of Costa Rica has provided to the technical work undertaken. She can count on our full support and our dedication to the proposed work of facilitators. As everyone knows, Colombia's priority is the domestic support pillar. Domestic agricultural subsidies adversely affect a level playing field and reduce healthy competition between companies and producers to a size of wallet issue, always to the disadvantage of medium and small countries. As Members, we should make ambitious contributions that are proportional to the distorting effect that existing subsidies have on world markets, while constantly seeking to implement the phase in commitments, signed by all of us, in Article 20 of the Agreement on Agriculture and thus move towards improved market conditions in the agricultural sector.

Secondly, in the negotiations on fisheries subsidies, we welcome the technical progress made in the negotiations in the last two clusters. Colombia, as a member of the 6Lat group, is among those countries interested in achieving a high ambition outcome. The exceptions and flexibilities contained in the consolidated text should not have the individual or cumulative effect of undermining disciplines or legalizing the status quo. We emphasize the importance for the text to continue to evolve towards building consensus.

Thirdly, as regards the Joint Initiatives, we wish to express our support for the progress made following the discussions that took place this year. We are greatly encouraged by the increased participation and support of Members in the discussions on e-commerce, investment facilitation for development, domestic regulation in services and SMEs. We reiterate our interest in ensuring the future multilateral adoption and implementation of the initiatives, which will help strengthen this Organization.

Fourthly and lastly, we note with interest the impetus given to the issues surrounding the reform of the Organization. This confluence of interests, along with the opportunities provided by a new WTO Director General, suggest there will be intense cross cutting negotiations in which Colombia will, of course, participate on an active, constructive and permanent basis.

58. Uganda

My delegation aligns itself with the statements by the African Group, the LDC Group and the ACP.

We are delighted to welcome Dr. Ngozi Okonjo-Iweala and looked forward to working with her to advance our work in this body. My delegation wishes to remind Members that our Ministers agreed in Nairobi that all issues of specific interest to LDCs shall be pursued on a priority basis.

On agriculture, more than 80% of our population heavily depends on agriculture for their subsistence and livelihood. It concerns us that major economies continue to provide domestic support, paying little to no attention on our Ministers' mandate on this issue. Indeed, as we identify work towards MC12, it is of utmost importance to us that we find a solution that substantively and effectively disciplines domestic support.

On S&DT, the Paragraph 44 Doha Mandate remains very clear. The African Ministers of Trade in 2017 reiterated 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 commitment and in the rules and disciplines towards being 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 Agenda 2063. The use of trade policy instruments for industrialization therefore holds tremendous for us. It is in this regard that we maintain the stance on the Paragraph 44 mandate towards supporting our industrialization objective.

On services, my delegations welcomes work in the Council for Trade in Services on the LDC Services Waiver. We stand ready to continue working with all Members in order to find ways of making the most of the waiver. We continue to call upon encourage Members in a position to do so but have not notified preferences under the waiver to redouble their effort to notify preferences which have commercial value and promote economic benefits to LDCs.

On e-commerce, the COVID-19 crisis has without a doubt unveiled the challenges my country faces in the making the most of the digital economy. E-commerce and digital solutions have proved to be the "go to" in recovery efforts. Amid numerous challenges, my government continues to forge ahead of strengthening public private sector cooperation to improve trade logistics and enhance supply of data services as well as boosting internet connectivity by extending infrastructure that has enabled firms to lower the costs of their services. It is in this spirit that we welcome continued discussion in the different bodies under the Work Programme on E-Commerce. As we head towards MC12, we continue to critically reflect on the implications of the moratorium on the imposition of customs duties on electronic transmissions on our economy.

59. Cambodia

Cambodia associates itself with the statement made by Chad on behalf of the LDC Group.

We would like to congratulate members and the WTO for the progresses made in various areas of negotiations including E-commerce and Investment Facilitation for Development under the principle of open, transparent and inclusive manner.

On fisheries subsidies, even though we could not conclude the negotiation as SDG 14.6 targeted by the end of 2020, we fully hope that the negotiation will be concluded not later than MC12. To make it happened; we need to have all levels of engagements and flexibilities. We commend Ambassador Wills, Ambassador Chambovey and members for their efforts to move the issue forward.

On Appellate Body: my delegation would like to re-iterate our concerns on the crisis of the appointment of members of the Appellate Body, which need to be resolved. It is important to make the function of Appellate Body remain complete and effective.

On special and differential treatment: we would like to re-emphasize that the special and differential treatment is very important for us to promote trade and development. In this regard, we welcome the proposals submitted by members. We encourage members to pay more attention to the proposal submitted by G90 and positively consider for an adoption the proposals submitted by LDC group as already mentioned by our coordinator.

With regard to the reform: my delegation appreciates the efforts of members and facilitators and we support the proposals and initiatives of making the WTO more relevant, inclusive and well functional organization to benefit all.

COVID-19 pandemic is one of our concerns which has affected many sectors including supply and demand sides. In this regard, we would like to call on the WTO and Members to work together to ensure that the trade restrictive measures will be progressively liberalized and lifted. We need to make sure that foodstuffs, medicines, and other essential goods continue free flow when the situation improves. More importantly, we should explore all possibilities to ensure that developing and LDC Members will be able to access an affordable Covid-19 treatment, vaccines and related medicines.

Finally, I concur that it is time to translate our words and commitments into the concrete actions. We strongly believe that, with high-level commitments and joint efforts of all members, the WTO will be able to overcome the challenges and deliver a meaningful outcome at MC12.

60. Cameroon

My delegation commends your report as well as your wisdom in chairing this session and renews its appreciation to all Deputy Directors-General for their efforts during the interim period.

We once again congratulate Dr. Ngozi Okonjo-Iweala for her brilliant appointment and looked forward to working with her. The delegation of Cameroon reassures the new Director-General of its constructive engagement.

Cameroon aligns itself with the statements by the ACP and the African Group.

On Intellectual Property Rights and Trade, we would like to underscore that the COVID-19 pandemic has tested the capacity of the WTO to provide responses including to the serious impact of this on trade and health. The WTO has been called to provide clear and efficient strategies to guarantee access to vaccines and medical supplies and to facilitate developing countries towards economic recovery. Cameroon urges all Members to facilitate access to vaccines and to necessary medicines to combat COVID-19 through initiatives such as by the Cairns Group and by the submission by Côte d'Ivoire in the Working Group on Trade, Debt and Finance. Given the tragic loss of human life, we must stand up to our responsibility and reaffirm the right to health and a decent life for all populations along with the relevant SDGs.

With regard to fisheries subsidies, through the increase in commitment demonstrated by Members and of Ambassador Wills together with the efforts of Ambassador Chambovey, there has been a satisfactory outcome on fisheries subsidies that contribute to IUU. However, we underscore that a consensus clearly defines the basis which should be the framework of principles:

- identifying a list of subsidies contributing to IUU in line with the mandate,
- removing from the scope the small artisanal fishers and small scale fishing that are not responsible for overfishing,
- recognizing that the Members who are largely the cause of this problem for many years in this sector should play a proportional role and take responsibility in whatever solution they come up with,
- committing, in a specific time-frame, to removing the subsidies,
- ensuring that developing countries enjoy S&DT guaranteeing their future development, and,
- providing assurance the Chair of the Negotiation Group on Rules that transparency and inclusion of all Members remain fundamental to the Working Parties.

Members should also have a review clause allowing for improvements at an appropriate time to respond to the trend under way seeking a balance which would reinforce the good faith application of the aspects and pledges they made – and giving each Member assurance that their sovereign right to agree on improvements in their own legislation is respected. Anything that at the moment is part of any other agreement needs to be considered. Cameroon has submitted a proposal on this provision and reaffirms its commitment for a fair and efficient at the next Ministerial Conference.

Concerning other areas, we note that the functioning of the Appellate Body is essential. Its processes allow the justifiability which facilitates access to this body for developing countries that do not have the necessary resources to assert their rights. That is why the African Group has a special response to this cardinal point for a fair judicial order and we hope that all Members will be attentive to these provisions.

With regard to cotton, Cameroon supports what the C-4 said and renews its commitment to continue to engage with all Members for a better consideration of the issue related cotton-producing States. It is important that cotton trade will be done in line with the relevant agreements and that all of those part of the cotton value chains abide by their respective responsibilities. Therefore, my delegation welcomes the efforts that have been made by Deputy Director-General Wolff and by the

Secretariat in this regard. We also note the increased participation of our partners in the quest for a solution in this area.

On WTO Reform, Cameroon believes that the issue is not about whether the WTO needs a reform but how we would want to conduct the necessary reforms. We need a consensus-based, global approach to this and we call on everyone to think about this, to respond to the expectations and concerns of a large number of Members. This will create an appropriate and good framework for our discussions. We hope that this will become reality and that collective wisdom will prevail.

Regarding development, we need a global and inclusive trade. Our discussions need to include S&DT provisions. Development is an inalienable right of peoples as is S&DT to ensure fair trade. This, in the Marrakesh Agreement, means that it must not be interpreted as a threat but rather as a gauge of security. To do this, we need to build a climate of trust for calm discussions. We are fully supportive of this.

61. Kazakhstan

Let me first thank you and Chairs of negotiating bodies for the comprehensive reports. I also would like to express our gratitude to all four DDGs for their leadership in ensuring smooth functioning of the organization during this transitional period.

We congratulate WTO members with the appointment of Dr. Ngozi Okonjo-Iweala as new Director-General and believe that with her active engagement 12th WTO Ministerial Conference will contribute to a positive path for the WTO and its work in the future.

Kazakhstan emphasizes the importance of our joint efforts to reinvigorate the work on the WTO reform and to keep a good progress in current negotiations. As such, we prioritize the following:

Multilateral negotiations on Fisheries Subsidies

We welcome progress achieved in the current negotiations under the chairmanship of Ambassador Wills with the support of Ambassador Chambovey. We believe that conclusion of the plurilateral agreement (ideally) before or (latest!) at the MC-12 is of utmost importance not only for achieving UN SDG target, but also for sustaining the multilateral trading system.

Resolution of the Appellate Body situation

It is vital to bring back to full operation a binding dispute settlement mechanism of the WTO in order to make trade agreements enforceable and contest trade distorting measures.

Joint Statement Initiatives

A new set of global trade rules on E-commerce, Investment Facilitation and Domestic Regulation in Services are critical in facilitating economic recovery in post-COVID period, restoring trade and sustaining further economic growth. As a result of on-going intensive discussions, these JSIs remain on track to deliver meaningful progress by MC-12.

- The disciplines on Services Domestic Regulation are aimed at ensuring predictable business climate and transparent procedures for trade in services. Strong political will is necessary to resolve a few outstanding issues, which are inclusion of the gender provision, financial services annex, transitional periods and expansion of sectoral coverage, and bring the initiative into successful conclusion. Kazakhstan is strongly committed to finalize the negotiations, thus:
 - We supported the inclusion of the gender provision.
 - We also support to have specific disciplines for financial services. Domestic regulation text will place on us broader responsibility and commitment, which will be related not only to subsidiaries of financial organisations already established in Kazakhstan, but also to their direct branches, who will be working in Kazakhstan's market starting this year in accordance with Kazakhstan's WTO accessions commitments.

- In support of our commitment to finalize the negotiations by MC-12, Kazakhstan recently submitted its Indicative Services Schedule. We believe this Agreement will contribute to improvement of investment climate and development of services sectors.
- The pandemic has revealed a serious perspective for further development of E-commerce and growing opportunities for businesses and consumers in digital world. In this regard, we need to recognize challenges faced by developing members in tackling negotiating issues related to internet regulation and find potential common grounds.
- Investment Facilitation Agreement would enhance measures and policies of the Members to attract investments into key economic sectors, including services, industry and agriculture, in response to current crisis. We welcome meaningful outcome at MC-12 on this initiative.
- Initiative in support of MSMEs is vital for integration of MSMEs into international trade.

Kazakhstan also recognizes the key role of the WTO in promoting sustainable development and the protection of the environment, and recently joined two initiatives: on Plastic Pollution and Environmentally Sustainable Plastic Trade as well as on Trade and Environmental Sustainability.

We also welcome the Trade and Health initiative calling on the WTO members to increase their cooperation in addressing unprecedented challenges caused by COVID and work towards enhanced global rules to facilitate trade in essential medical goods and services.

62. Senegal

I would like to echo the congratulations of His Excellency, Mr. Macky Sall, President of the Republic of Senegal, to Dr Ngozi Okonjo-Iweala, on being confirmed as Director-General of the WTO. Senegal will lend her all its support to ensure success in her mandate.

At a time when the world is trying to find a way out of the health, economic and social crisis caused by the COVID-19 pandemic, international trade and the World Trade Organization can contribute significantly to economic recovery.

However, for this organization to continue to be relevant for its Members, progress must be made in multilateral and plurilateral trade negotiations. In this regard, the next Ministerial Conference will be a watershed moment for the WTO.

In the interest of brevity, we will focus today on the issue of subsidies.

While we recognize the importance of subsidies in the implementation of Members' public policies, it is nevertheless important to note that some forms of subsidies to agriculture and the fishing sector from a minority of Members continue to have negative effects on the achievement of some of the Sustainable Development Goals.

Domestic support in agriculture, especially in international cotton markets, negatively affects the economies and farmers of developing countries and least developed countries. A solution in this area for MC12 is a priority for Senegal. My delegation therefore supports the ongoing process with the Facilitators and looks forward to fruitful negotiations following the technical discussions under way.

Beyond their distorting effect on fish product markets, fisheries subsidies continue to contribute to overcapacity and overfishing, as well as illegal, unreported and unregulated fishing.

Senegal continues to seek an ambitious outcome in this area of our negotiations. We reassure the Chair of the Negotiating Group on Rules, Ambassador Wills, of our delegation's commitment and openness to finding compromise solutions. However, the current Chair's text can be improved to reflect this compromise. As it stands, this text risks maintaining the status quo, while subjecting Members, in particular developing Members and LDCs, to binding obligations related to fisheries management and which do not fall within the remit of the WTO.

Senegal will continue to work towards a balanced text, the implementation of which can be assessed in terms of its contribution to reducing global fishing overcapacity.

In conclusion, my delegation associates itself with the statements made on behalf of the African Group, ACP Group and LDC Group.

63. Peru

First, I think it is important to salute the energetic remarks made by the Director General to the General Council on her appointment. My delegation looks forward to her arrival in Geneva to give new impetus to the work in the organization. We also wish to acknowledge the good work of the Deputy Directors-General in this interim period, thanks to which the Organization has been able to continue its work and address the effects of the pandemic on international trade.

The Representative of Peru agrees with other delegations on the paramount importance of reactivating the WTO dispute settlement mechanism and is ready to work on improving it as part of the reform process. In the meantime, Peru has joined the Multiparty Interim Appeal Arbitration Arrangement to safeguard its right to a dispute settlement mechanism in this Organization.

Let me move on to negotiations and joint initiatives. First of all, I would like to refer to the negotiating process on fisheries subsidies. Peru has continued to participate actively in the negotiations under the last cluster, and welcomes the able leadership of the Chair of the Negotiating Group on Rules, Ambassador Wills, and of course Ambassador Chambovey too, for his work on special and differential treatment. We believe in the importance of the leadership of the negotiation to take us to a timely and ambitious multilateral agreement that seeks to achieve the mandate that brings us together. We therefore encourage the Chair to present a new revision of the consolidated text, which proposes a middle way between Members' positions.

In the area of Agriculture, we thank Ambassador Gloria Abraham and the Facilitators of the various negotiating pillars for their hard work. In keeping with the priority that Peru gives to the issue of reduction of domestic support, we welcome El Salvador as a co-sponsor of the framework to limit and reduce trade distorting domestic support, which many Cairns Group Members originally co-sponsored. We invite all Members to consider expressing their support for this document as a general framework for efforts undertaken in this pillar, which would help us to consolidate our position as a group with a single common cause, and would make it easier for us to find acceptable terms and conditions for all interested delegations for an outcome in this area. In the export restrictions pillar, Peru has also signed the Joint Statement through which several WTO Members have committed to not impose restrictions or prohibitions on purchases made by the World Food Programme for humanitarian purposes, and we invite all Members to sign this Statement and to seriously explore the possibility of reaching an outcome on this subject in view of the next Ministerial Conference. Please allow me to express my condolences to the delegation of Italy and the European Union for the attack in the Democratic Republic of the Congo, as a result of which, unfortunately, the Ambassador of Italy to the Democratic Republic of the Congo, another official from the Italian Embassy and an official from the World Food Programme, died a few days ago, on a journey linked to monitoring of the work of the WFP. Returning to agriculture negotiations, my delegation continues to follow the discussions in the CoA SS, and appreciates the contributions under the different negotiating pillars, which aim to achieve concrete outcomes at the next Ministerial Conference. We will continue to analyse these back in the capital to be able to comment on the proposals in due course.

In the area of services, we are pleased with the promising advances made on the Joint Initiative on Domestic Regulation, and we hope that the negotiations and discussions will continue with a view to clarifying the last outstanding issues relating to the disciplines and procedures for the entry into force of the outcomes of the negotiations. We will continue to participate actively in this initiative. Lastly, we are enthusiastic about the meeting of the WTO Informal Working Group on Trade and Gender, which will take place tomorrow. We invite all delegations to participate or observe, irrespective of whether or not they have signed the Ministerial Declaration that gave rise to this initiative, as we believe that sharing experiences in this area can be beneficial for women's empowerment through trade. My delegation wishes to thank the Co-Chairs, the Ambassadors of Botswana and Iceland, and will actively participate tomorrow in the meeting.

Concluding Remarks of Deputy Director-General Alan Wolff

56 delegations spoke today. Their words were much appreciated including their sentiments. I just saw a notice come over that the US Treasury Secretary called upon other nations to go big. She was talking about financial stimulus, of economies which is of course essential. But I think, going big is also a good message for 2021 for the Members of this organization with respect to concluding fisheries and making great progress on other fronts.

The interim arrangements that you put in place last July for these last six months are drawing to a close this weekend. There is a great deal of enthusiasm that has been expressed today by Ambassadors for the appearance on the scene of a new Director-General, Dr. Ngozi Okonjo-Iweala. Your relief of having a Director-General on board pales in comparison to the joy that the DDGs feel in relinquishing their particular responsibilities during this time, over the past six months, in the interim arrangements.

We have gotten tremendous support from all Members from the General Council Chair, the Secretariat, the Directors and their staff. I want to thank the interpreters for their skills and endurance which were amazing. I want to also thank Victor do Prado and his team that support us in this endeavour with the TNC and will be supporting the General Council especially with the arrival of the new Director-General. We are just very pleased with the outlook of the new year. 2021 holds great promise.
