



**General Council
26 July 2017**

MINUTES OF THE MEETING

HELD IN THE CENTRE WILLIAM RAPPARD ON 26 JULY 2017

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

At the outset and throughout the meeting, the Chairman, the Director-General and several delegations bade farewell to Amb. Luis Manuel Piantini (Dominican Republic); Amb. Juan Eduardo Falconi (Ecuador); Amb. Inga Ernstson (Latvia); Amb. Mariam Salleh (Malaysia); and Amb. Aya Thiam Diallo (Mali), who were leaving their post at the WTO, and expressed appreciation for their contribution during their time as Permanent Representatives. Before the meeting was adjourned, Amb. Luis Manuel Piantini (Dominican Republic) made a statement.

The Chairman, the Director-General and Members also bade farewell to Deputy Director-General, Mr. David Shark, who was also leaving his post at the WTO, and thanked him for his outstanding contribution to the WTO and to the multilateral trading system.

1 REPORT BY THE CHAIRMAN OF THE TRADE NEGOTIATIONS COMMITTEE.....	2
2 REPORT BY THE DIRECTOR-GENERAL ON THE INFORMAL HEADS OF DELEGATION MEETING	3
3 AID FOR TRADE – REPORT BY THE DIRECTOR-GENERAL ON THE SIXTH GLOBAL REVIEW	8
4 IMPLEMENTATION OF THE BALI AND NAIROBI OUTCOMES – STATEMENT BY THE CHAIRMAN	12
5 WORK PROGRAMME ON SMALL ECONOMIES – REPORT BY THE CHAIRMAN OF THE DEDICATED SESSION OF THE COMMITTEE ON TRADE AND DEVELOPMENT	14
6 AMENDMENT OF THE TRADE POLICY REVIEW MECHANISM – DRAFT DECISION	15
7 WORK PROGRAMME ON ELECTRONIC COMMERCE	16
7.1 REVIEW OF PROGRESS	16
7.2 COMMUNICATIONS FROM JAPAN, THE RUSSIAN FEDERATION, AUSTRALIA, CANADA, COLOMBIA, QATAR AND SINGAPORE	19
8 TRADE RESTRICTIVE MEASURES BY CERTAIN MEMBERS – STATEMENT BY QATAR.....	41
9 ELEVENTH SESSION OF THE MINISTERIAL CONFERENCE	42
9.1 ELECTION OF OFFICERS	42
9.2 ATTENDANCE OF OBSERVERS FROM INTERNATIONAL INTERGOVERNMENTAL ORGANIZATIONS	43
9.3 REQUEST FOR OBSERVER STATUS BY PALESTINE	43
10 WAIVERS UNDER ARTICLE IX OF THE WTO AGREEMENT	44
10.1 REVIEW OF WAIVERS PURSUANT TO ARTICLE IX:4 OF THE WTO AGREEMENT	44

10.1.1 Least-Developed Country Members – Obligations under Article 70.8 and Article 70.9 of the TRIPS Agreement with respect to Pharmaceutical Products, granted on 30 November 2015 until 1 January 2033.....	44
10.1.2 Preferential Treatment for Least-Developed Countries, granted on 27 May 2009 until 30 June 2019	44
10.1.3 Canada – CARIBCAN, granted on 28 July 2015 until 31 December 2023	44
10.1.4 United States – Caribbean Basin Economic Recovery Act, granted on 5 May 2015 until 31 December 2019	44
11 COMMITTEE ON BUDGET, FINANCE AND ADMINISTRATION – REPORT ON MEETINGS OF FEBRUARY, MAY, AND JUNE 2017	45
12 WTO PENSION PLAN	46
12.1 Report by the Independent External Auditor on the Audit of the Financial Statements of the World Trade Organization Pension Plan for the Year ended 31 December 2016.....	46
12.2 Annual Report and Financial Statements for the Year ending 31 December 2016	46
12.3 Alignment of the WTO Pension Plan Regulations with the WTO's Policies Regarding the Definition of Spouse to Include Domestic Partnership	47
12.4 WTO Pension Plan Management Board - Election of Chairman, Members and Alternates	47
13 STATEMENT BY THE CHAIRMAN IN CONNECTION WITH ADMINISTRATIVE MEASURES FOR MEMBERS IN ARREARS	48
ANNEX 1 – REPORTS BY THE DIRECTOR-GENERAL, AS CHAIRMAN OF THE TNC, AND OF THE CHAIRS OF THE NEGOTIATING GROUPS AT THE INFORMAL TRADE NEGOTIATIONS COMMITTEE MEETING HELD ON 25 JULY 2017	49
ANNEX 2 – STATEMENT BY THE CHAIRPERSON OF THE ELEVENTH SESSION OF THE MINISTERIAL CONFERENCE AT THE INFORMAL TRADE NEGOTIATIONS COMMITTEE MEETING HELD ON 25 JULY 2017	59
ANNEX 3 – STATEMENTS BY DELEGATIONS AND THE DIRECTOR-GENERAL'S REMARKS AT THE INFORMAL TRADE NEGOTIATIONS COMMITTEE MEETING HELD ON 25 JULY 2017	61
ANNEX 4 – REPORT BY THE DIRECTOR-GENERAL AT THE INFORMAL HEADS OF DELEGATION MEETING HELD ON 25 JULY 2017	115
ANNEX 5 – STATEMENTS BY DELEGATIONS AT THE INFORMAL HEADS OF DELEGATION MEETING HELD ON 25 JULY 2017	117
ANNEX 6 – STATEMENTS BY DELEGATIONS ON THE SIXTH GLOBAL REVIEW OF AID FOR TRADE.....	135

1 REPORT BY THE CHAIRMAN OF THE TRADE NEGOTIATIONS COMMITTEE

1.1. The Chairman recalled that, on 25 July, Members had had an Informal TNC Meeting where the Director-General, as Chairman of the TNC, and the Chairs of the Negotiating Groups had provided detailed reports¹, and where Minister Malcorra, Chairperson of MC11, had addressed delegations². During that TNC meeting, it had been announced that those statements would be included in the minutes of this General Council meeting.

1.2. More than forty delegations had taken the floor and, as had also been previously announced

¹ At the Director-General's request, his report (also circulated in JOB/TNC/61) and those of the Chairpersons of Negotiating Groups at the 25 July Informal TNC are incorporated in the minutes of this meeting and are reproduced in Annex 1 of this document.

² The statement of Minister Susana Malcorra, Chairperson of MC11, is incorporated in the minutes of this meeting and is reproduced in Annex 2 of this document. It was also circulated in JOB/TNC/62.

at the Informal TNC Meeting, all statements made at that TNC meeting were included in the records of this General Council meeting³ unless any delegation indicated otherwise.

1.3. The General Council took note of the Director-General's report and of the statements.

2 REPORT BY THE DIRECTOR-GENERAL ON THE INFORMAL HEADS OF DELEGATION MEETING

2.1. The Chairman recalled that, on 25 July, immediately following the Informal TNC Meeting, an Informal Heads of Delegation Meeting had been held where the Director-General had reported⁴ on his other activities. During that Informal HODs Meeting, it had been announced that the Director-General's report would be included in the minutes of this General Council meeting.

2.2. Eighteen delegations had taken the floor and, as had also been previously announced at the Informal HODs Meeting, all statements made at that Informal HODs Meeting were included in the records of this General Council meeting⁵ unless delegations indicated otherwise.

2.3. The representative of Cameroon said that during the informal TNC meeting, Cameroon had raised a point of law regarding the process for legitimizing matters which were not in conformity with WTO rules. For the record, it had been said by several delegations that the informal meeting at the Heads of Delegation level – as it had been called – was merely an informal process and was there simply to share information for transparency purposes.

2.4. At the 25 July Informal HODs, 16 flags had however already been raised before the Director-General had concluded his report. The respective interventions of those Members had focused on new issues. In all of their statements, they had indicated their expectation that Members were supposed to achieve results on those issues in Buenos Aires.

2.5. In Buenos Aires, consensus should not be requested a posteriori to justify an illegal process. Cameroon remained committed to work for the success of Members' work but in full clarity and respect for the rules. That was exactly the way how Cameroon worked – when it had agreed to take up issues, Cameroon always obeyed the rules.

2.6. The representative of Uganda echoed its sentiments from the Informal TNC Meeting. Uganda thanked the Director-General for the clarifications he had given pursuant to the issues that Uganda had raised in its intervention. Indeed, the Informal HODs was not a structure that was intended to compete with or against the TNC. It was not a negotiation forum as its function was only limited to transparency exercises.

2.7. Uganda expressed its appreciation for the work that the Director-General continued to do. Its intervention had nothing against the person of the Director-General. It had rather been about the principle of upholding the rules and regulations that Members had already agreed in the organization. Uganda agreed with all delegations that continued to support that point of view and with the Director-General in his quest to ensure the preservation of that point of view, and said that Item 2 of that day's agenda would not be a standing agenda item. Uganda also agreed with

³ The statements at the 25 July Informal TNC Meeting by the following delegations and the Director-General's remarks at that meeting are incorporated in the minutes of this meeting and can be found in Annex 3 of this document: Rwanda (African Group); Israel; Philippines; Chinese Taipei (Article XII Members); European Union; Chile; Barbados (CARICOM); Cambodia (LDCs); Nigeria; Republic of Korea; Dominica (OECS); Benin (C-4); Pakistan; Paraguay; Morocco; Peru; Ecuador; Singapore; Mexico; Indonesia (G-33); Zimbabwe; India; Zambia; Bolivarian Republic of Venezuela; Russian Federation; Nepal; Plurinational State of Bolivia; Ukraine; Fiji (Pacific Group); Senegal; Norway; South Africa; Cameroon; Ghana; Republic of Moldova; Uganda; Jamaica; Hong Kong, China; Uruguay; Tanzania; China; Brazil; Switzerland; Montenegro; Thailand; Mozambique; United States; Kenya and Kingdom of Saudi Arabia.

⁴ At the Director-General's request, his report (also circulated in JOB/GC/135) at the 25 July Informal Meeting at the level of Heads of Delegation are incorporated in the minutes of this meeting and are reproduced in Annex 4 of this document.

⁵ The statements at the 25 July Informal Meeting at the level of Heads of Delegation by the following delegations are incorporated in the minutes of this meeting and can be found in Annex 5 of this document: Costa Rica (Friends of E-Commerce for Development); Argentina; Switzerland; Dominican Republic (IGDC); Brazil (Friends of MSMEs); Australia; United States; Canada; Philippines (ASEAN); Colombia; Qatar; New Zealand; Japan; Norway; Pakistan; Chinese Taipei; Russian Federation and European Union.

the idea of transparency exercises and always endeavoured to engage in them.

2.8. The representative of Norway had thought that things had been made fairly clear by the response given by the Director-General at the Informal TNC Meeting. There had been a very wide agreement at that meeting about the utility of having the Informal HODs. Members had heard arguments around the fact that they no longer had the green rooms and that the Informal HODs was clearly a transparency exercise.

2.9. What made him react then had been the comment that the Item should not be a standing item on the agenda. Members needed to keep the flexibility of the organization so that they could have an opportunity to have deliberations not only on negotiations. They could not try to silence deliberatively different functions of the organization, which was why he had taken the floor.

2.10. The representative of New Zealand echoed Norway's sentiment on the need for a place in the organization for deliberative considerations. A bit of history had been recalled at the informal meetings the previous day. He noted that the Director-General had spoken about the history of various transparent or non-transparent processes which he had been present. The Director-General had also recalled provisions of the Marrakesh Agreement which he had happened to be a part of the drafting process thereof.

2.11. One of the important provisions in the Agreement was that Members did not simply operate by the biennial meeting of the Ministerial Conference. The Agreement made it clear that between the sessions that Ministers were meeting, they – as Ambassadors and Permanent Representatives or as Chargés at the General Council – exercised the functions of the Ministerial Conference continuously. Otherwise, there would be no point for them to be there. They could just have technicians working on the things that Ministers would decide every two years. Members therefore needed a way of preparing their agenda in between Ministerial Conferences, actively undertaking that and preparing in particular for when those Ministerial Conferences were coming up.

2.12. He had spoken once at the 25 July Informal HODs Meeting because he had wanted to make an intervention that straddled particularly the Doha issues that Members were working on for outcomes at Buenos Aires and also other issues that his delegation along with others thought that they should be looking to address at MC11. He was conscious of the rules and declarations about how negotiations were commenced and undertaken. But there also had to be a forum where Members could discuss how to prepare in taking the organization forward. In a formal sense, that forum had to be the General Council exercising the functions of the Ministerial Conference.

2.13. Members also needed an informal preparation for that, which as the Director-General had said he wanted to undertake. His delegation therefore supported the Director-General in conducting a process as transparent as possible.

2.14. To bring those various strands together, the process needed to be done through the General Council. His delegation therefore supported the idea that the General Council needed to have a way of discussing that and to crystalize that discussion leading up to MC11. At some point, there should be a clear process that would bring together the various strands of Members' preparations for MC11 where they could discuss those issues holistically.

2.15. The representative of Cameroon wished to provide some clarifications as there had been a number of insinuations in Members' interventions at the 25 July informal meetings. At a personal level, the Director-General was well aware of the respect that Cameroon had for him since he had been Ambassador and because of the work that he had done. In relation to MC9 in Bali, the Director-General would remember everything that had been said and done before, during and after that Ministerial Conference. His delegation had always participated in a constructive manner within all processes which included subjects which could in fact damage its own interests.

2.16. Cameroon did not intend to discriminate against the entire staff of the WTO because they work with them every day. For a small delegation like Cameroon, it would be very difficult to work without the Secretariat. However, within that same Secretariat, his delegation was suffering from what other delegations did not suffer from. His delegation had raised that matter in various configurations and on a public manner particularly on how it had to negotiate with the Secretariat to make sure that they had included all that it had said and raised. His delegation had not always

complained about it but at a certain point it needed to be heard loud and clear with regard to that kind of practice – that sometimes had to be done.

2.17. With regard to the process, Members needed to ensure that what they did was transparent. Cameroon had read that in the minutes of the TNC and the General Council and had also had experience and a long standing history in the organization. His delegation was not pretending to be the oldest in the house but it had learned some great lessons.

2.18. Cameroon thought that for the WTO to remain credible, it would be better for everything to be made clear. His delegation was not intending to block anything and was ready to participate in every discussion. All delegations in the room could bear witness to the fact that his delegation had discussed with any groups in the WTO including on what had taken place that week – and would continue to do so after the General Council meeting.

2.19. Cameroon requested one thing – that the current procedures and objectives be coherent with those agreed upon in the past. Whenever the Director-General would seek to establish a transparency process, his delegation would be one of its first beneficiaries. His delegation had never questioned that. It however saw a problem. It was easy for those who wanted to benefit from the process to say that his delegation was accusing the Director-General. They did not see that the process was instituted at their request for certain issues to be taken up. It was to those Members that his delegation was addressing those words because they were all part of the decision-making process – both individual Members and groups of Members.

2.20. No discussion on one issue could be prohibited in the organization. Cameroon had made it clear that it had said that in its intervention and hoped that it would be reflected in the minutes. The Director-General could meet with and listen to whoever he wanted. But the problem remained on the validity, the juridical content and that which condoned the results of those deliberations.

2.21. If a process was inconsistent or improper before Buenos Aires and if Cameroon would hear Members insisting that on that issue there could be decisions taken in Buenos Aires despite such inconsistency or impropriety, his delegation would not join consensus. His delegation was not preventing anyone from discussing and was ready to discuss in any configuration. However, if the goal was that Cameroon would be taken by the throat at the very last minute in Buenos Aires with a "take it or leave it" approach, his delegation would not be ready to join consensus. He believed it was better to say it in advance. Perhaps someone would say it down the line but his delegation thought it would be better to be clear in that regard.

2.22. The representative of Switzerland said that the Informal HODs meeting was extremely useful for the WTO's work. It provided a space for discussion and a process for transparency. Such transparency measures benefitted all Members including those who did not have the resources to obtain information through a network of delegates that were well-connected in Geneva. Switzerland therefore encouraged holding such meetings.

2.23. The nature of such meetings should not be misunderstood. They were meant for debate and discussion – for transparency purposes. In those meetings, Members had the opportunity to express their opinions – which sometimes could be contradictory. Those meetings were not meant for taking decisions or launching negotiations.

2.24. The Informal HODs Meeting prepared the ground for delegations. It provided them the opportunity to discuss the challenges that the organization was confronting – challenges which could not be set aside in the WTO context and which could not be clinically examined in an isolated way by ignoring everything else. Members should preserve the deliberative function of the WTO which was crucial – the exercise of which should not be restricted.

2.25. Switzerland thought that the Director-General did well with the process. 22 Informal HODs meetings had taken place to date. Each of those meetings had been useful and had succeeded in achieving its objectives – to share information transparently and to allow all Members to express themselves. Such practice was good and should therefore be continued that way.

2.26. His delegation hoped that all misunderstandings had been cleared up. The Director-General had contributed in clarifying some of them. The discussion under the current item was more

peaceful than the one that had taken place the previous day. The best practices that had been put in place the past few years should hopefully continue to inspire all Members in their work ahead.

2.27. The representative of Mexico referred to the interventions made in the 25 July Informal TNC and Informal HODs meetings where Members had had an in-depth discussion. Some clarifications had been made, particularly on the distinction between the Informal TNC and the Informal HODs format and on the importance of having both processes to facilitate discussions. It was clear that the Informal HODs was limited to a transparency exercise which Mexico believed to be valuable in light of the challenges that the organization was facing. His delegation therefore saw no reason to stop that practice in the General Council.

2.28. The representative of Kenya supported the Informal HODs meetings in terms of the transparency that it provided. It was a noble objective and should be supported and not be strangled at any level. Kenya therefore encouraged the continuation of such meetings.

2.29. The representative of the Dominican Republic observed that under Director-General Azevêdo's leadership, there had been greater transparency on many issues. No one could say that delegations had not been allowed to participate in discussing the core issues that were being addressed by the Ministerial Conference. There had been no topic that had gone to the Ministerial Conference without being discussed in an open and transparent manner nor had there been any issue discussed behind closed doors. All facets of such issues had been openly discussed.

2.30. As he was about to leave the organization, he hoped that the level of transparency that the Director-General had gifted the WTO would remain enforced and that inclusiveness be maintained. Members should recognize that the Informal HODs Meetings were extremely productive because they made them think about what the organization was – particularly on the role that it was playing in the world.

2.31. He recognized that Members also had a certain level of frustration on the Doha Round. It had already been sixteen years in the making. He agreed that developing countries should have made it known that distortions were affecting them in the agricultural sector. As a community of several million inhabitants represented by 164 delegations, WTO Members should admit that they had an obligation to that community – one that did not cloister themselves from the outside world. They rather needed to be aware of everything that was happening around them and to act upon it when necessary – to work on them within an organization that was alive and fully-functioning. Members needed to continue moving forward for the benefit of the international community.

2.32. In that regard, the Informal HODs meetings were extremely positive. They provided Members with an opportunity to brainstorm and to look at topics that some would think could be subject to discussion or debate as they related to the work of the organization. Such meetings provided transparency as it placed various issues on public view. There was information sharing regarding workshops, seminars and papers that were circulated in the respective WTO bodies. At a certain point, there would be issues that could be discussed through this process that could eventually be addressed by the Ministerial Conference. This process therefore ensured that the organization remained relevant.

2.33. The representative of Pakistan wished to add his delegation's voice to those who found value in the Informal HODs meetings. As a small delegation, Pakistan valued the process as it provided an excellent forum for debate and deliberation. As a Friend of the System, his delegation found it useful and not keeping it vibrant would be extremely inadvisable. If Members wanted the WTO to remain a living, organic organization, they should continue with it and value and protect it.

2.34. The representative of Jamaica was concerned with the management of time. It seemed that there was one question before them. As he had understood it, the provenance of the HODs and the TNC operating in their respective capacities had been addressed at the informal meetings the previous evening. The only issue of substance that had been material, if indeed the proponent wished it to be discussed, was whether the report from the HOD should be a standing item on the agenda. Prior to that intervention, there had been no request that it be made so. The only issue therefore was whether it was necessary for Members to consider the placement of that item as a standing issue on the agenda of the General Council. He did not understand that it had been requested to be so. Perhaps there was not a material discussion to have around it it seemed that

they simply had to decide whether there was a proper request for the item to be made a standing item on the agenda, to which a rebuttal was being offered, or if there were any other procedural considerations that attended the reporting of the Director-General on the meeting he convened with the Heads of Delegation. If there was no issue then there should not be a protracted discussion.

2.35. The representative of Nigeria underscored the points that his delegation had made at the 25 July informal meetings on the indispensable use of the Informal HODs. Such had been the practice of the organization coming well before the WTO. The process had been traditionally managed by the Director-General's Office. Its value had been pointed out by many delegations as it provided a space for deliberative consideration, transparency, a healthy exchange of views, constructive engagement and flexibility. That was a practice that should be continued.

2.36. On the question regarding whether Item 2 of the agenda should be a standing item or not, Members should try not to impale themselves on that discussion. They should retain the flexibility in structuring the agenda. If there would be a need to have it on the agenda, it would be included in the provisional agenda. The fact that the agenda would be considered and adopted before the start of each meeting should save Members from further debate about that issue. There was probably no need for the automaticity of it but they could include it in the agenda when necessary. As the Informal HODs could be a practice that would continue, Nigeria placed its full confidence on the Director-General.

2.37. The representative of the Plurinational State of Bolivia said that the conclusion of the 25 July informal meetings had been intense. The WTO was a unique organization being the only one where the Director-General as the executive head could negotiate alongside the Members. Bolivia had no problem with that.

2.38. The 25 July informal meetings were important as necessary clarifications had been made. Transparency was important in the organization including during the process until the conclusion of each session of the Ministerial Conference.

2.39. Many important things had been said in those meetings. Uganda had raised an interesting point regarding the issue of conflict of interest. It would perhaps be useful to draw up a guideline or something similar for the organization. Other organizations had been working on it such as the World Health Organization. Bolivia had not questioned the professionalism or integrity of the Secretariat but such a measure could be useful as it helped build institutions.

2.40. The representative of Montenegro said that as a small country and a recently-acceded Member, the WTO's deliberative function was very important for her delegation with a Mission that had limited resources. The Informal HODs had been a learning experience. It had been a venue to better prepare for the agenda, to intensify work, to better send messages to the capital, to raise issues, to exchange ideas and to acquire information. It had been a very transparent, inclusive and vibrant forum for all Members. Montenegro therefore encouraged the continuation of those meetings as they were excellent, useful and transparent – and benefitted all Members.

2.41. The representative of the Bolivarian Republic of Venezuela noted that in its statement at the 25 July Informal TNC, Venezuela had made explicit reference to the importance of the procedures and on how they related to building confidence among Members. That was borne out by the impasse that had arisen due to the Informal HODs Meetings convened by the Director-General.

2.42. The TNC had a clear function that could not be replaced by the Informal HODs. The misunderstanding at the 25 July informal meetings was rooted from the failure to convene TNC meetings as frequently as some of the delegations would like. The two types of meetings clearly had different objectives. Venezuela therefore trusted that the Director-General would get back to convening the TNC and would leave to his discretion the convening of Informal HODs meetings whenever he would deem it appropriate.

2.43. The representative of Rwanda made it clear that for his delegation, for Africa and for developing countries in general, Members should avoid deviating from the focus of their discussions. What was essential did not lie in the spirit of certain procedures but rather more deeply in the legitimacy and the capacity of the organization to meet its objectives. It was time for

all Members to work together towards the same objective and to carry out an assessment and evaluation of all the work of the WTO in the light of the development objectives.

2.44. Statistics were certainly not in favour of a positive assessment and the relationship between development and multilateral trading rules were not encouraging. The lack of progress in the implementation of the DDA and the lack of prospects in the short and medium term for substantive progress especially in agriculture provided more reasons for Members to rethink and reflect about their current situation to enable them to move forward towards achieving their true objectives.

2.45. In relation to the issue at hand, Rwanda noted that it welcomed all discussions. Members should remain open-minded and all possibilities for an exchange of views should be encouraged. It was however equally true that one had to listen to those who warned the Membership that they should avoid distorting the rules. Rules had to be abided by and respected or they had to be re-thought and re-written if they were no longer relevant or responsive.

2.46. Members needed to listen closely to those who feared that those informal meetings – which were highly useful – would serve as an open window for the intrusion of issues without a negotiating mandate. Conversations among Members should remain open and sincere. They should continue to build trust among themselves and ensure that they moved closer to achieving their true objectives.

2.47. The Chairman said that, in broad terms, a lot of the views expressed that day reflected the views and perspectives of the interventions from the 25 July informal meetings. However, there seemed to be one new issue that had been raised at the meeting with respect to whether or not Item 2 on the Report by the Director-General on the Informal Heads of Delegation Meeting would become a standing agenda item in the General Council. That was a matter that might need to be taken up again in the future. Other important issues had also been raised and he had taken careful note of what Members had said that day.

2.48. The General Council took note of the Director-General's report and of all the statements.

3 AID FOR TRADE – REPORT BY THE DIRECTOR-GENERAL ON THE SIXTH GLOBAL REVIEW

3.1. The Chairman invited the Director-General to provide his report on the Sixth Global Review of Aid for Trade, which had taken place on 11 to 13 July – with the theme "Promoting Trade, Inclusiveness and Connectivity for Sustainable Development".

3.2. The Director-General said that at the Sixth Aid for Trade Global Review, which had closed on 13 July, the scale of support that had been provided under this initiative had been announced. Since the start of this work in 2006, almost 300 billion dollars had been disbursed in Aid for Trade support. The latest data available was for 2015, when disbursements had reached 39.8 billion dollars – the highest amount for a single year so far. 146 developing countries had benefitted from this support to date – mainly in Africa and Asia, with 27% of the total going to LDCs.

3.3. Much of this support had gone towards building supply-side capacity and trade-related infrastructure. Both of those were hugely important and they were a necessary complement to more open markets. Together, this was a proven recipe for greater growth, development, poverty reduction and job creation. It was clear that Aid for Trade was having a real impact on the ground. That was why the Sixth Global Review had been such an important event.

3.4. The theme of the Review had been "Promoting Trade, Inclusiveness and Connectivity for Sustainable Development". The feedback he had received suggested that Members had considered the Review to be rich and diverse in terms of content, and innovative in terms of its organization. Overall he thought that Members would agree with him that the Review had been a great success.

3.5. Over 1,500 people had participated in the plenary sessions and side-events. This included numerous Ministers and Heads of International Organizations. The private sector, NGOs and academia had also been well-represented.

3.6. Many bodies had used the occasion to launch important publications – in addition to the main

Aid for Trade publication itself. The Asian Development Bank, the Inter-American Development Bank, the Islamic Development Bank and the UN Economic Commission for Africa had all launched reports examining the theme of this Review, and he had launched a joint FAO-WTO report with FAO Director-General Graziano da Silva on "Trade and Food Standards".

3.7. At a thematic level, the Review had been diverse, and had reflected the range of topics that the Initiative itself sought to address. Keeping in mind that everything had been discussed through the lens of capacity building support, the issues covered included: trade facilitation, connectivity infrastructure – both physical and digital, e-commerce, gender, investment, LDCs, MSMEs, trade finance, and the SDGs. All of those issues were important and Members could reflect on how the Aid for Trade initiative could do more in those areas.

3.8. A common theme throughout the Review had been how Members could make trade more inclusive – and what role the initiative could play to help those efforts. On that point, he saw a great deal of complementarity between Aid for Trade and the Sustainable Development Goals. Achieving economic growth was a key objective for both initiatives. In fact, the SDGs called for an "increase in Aid for Trade support for developing countries, particularly LDCs". Members should ensure that Aid for Trade continued to deliver more and better – and that they improved their coordination across the international community.

3.9. In addition, he highlighted the need to maintain their focus on LDCs. He encouraged Members to ensure that the needs of LDCs were being met, and to be ready to innovate and prioritize support on the basis of the specific needs expressed by the LDCs themselves. To do that, they needed to ensure that the Aid for Trade initiative continued to evolve and improve.

3.10. Some ideas had been raised on that point during the review. For example, at the closing session, some Members had highlighted the importance of updating the monitoring and evaluation methodology and exercise that underpinned the Global Review. In another session, it had been suggested that future Aid for Trade discussions concentrated on outcomes and impacts. One particular idea floated had been for Aid for Trade to focus on the theme of "Economic Empowerment". Those ideas – and others – would naturally be considered in the CTD Aid for Trade, under the direction of Ambassador Mushayavanhu of Zimbabwe. The CTD Aid for Trade could facilitate discussions on a new biennial work programme and crystallize the different themes that could be taken forward. As in the past, Ambassador Mushayavanhu would then present the results of that work to the General Council.

3.11. He thought all Members agreed that the Aid for Trade initiative was doing good work. Indeed, in his view it was more important than ever. He was sure that Members would give discussions about the future of the initiative the time and engagement that they deserved. By working together they could ensure that the initiative continued to go from strength to strength, and that it continued to meet the evolving needs of developing and least-developed Members.

3.12. The representative of Sierra Leone aligned her delegation with the statement to be made by the LDCs. Sierra Leone had complete confidence in the leadership role that the Director-General was playing in moving the work of the WTO forward. Her intervention would address the particular situation of trade in the Least-Developed Countries in the context of the Sustainable Development Goals adopted by Heads of State of all members of the United Nations in September 2015.

3.13. The category of LDCs had officially been established in 1971 by the UN General Assembly with a view to attracting special international support for the most vulnerable and disadvantaged members of the UN family. The Least-Developed Countries represented the poorest and weakest segment of the international community. They comprised more than 880 million people (about 12% of world population), but accounted for less than 2% of world GDP and about 1% of global trade in goods.

3.14. Four World Conferences had been held – the fourth being in Istanbul in 2011. That conference had provided a major opportunity to deepen the global partnership in support of LDCs and had set the framework for development cooperation for the next decade. The Istanbul Programme of Action was an internationally developed framework to enhance the development partnership between LDCs and the international community. The Programme contained eight priority areas for action – one of which was trade.

3.15. The outcome document of the mid-term review of the Istanbul Programme of Action which had taken place in Antalya, Turkey in May 2016 had observed that the share of LDCs in world exports had remained stagnant standing in 2014 at 1.1% and dropping to 0.97% in 2015 – a level that was far behind the objective of doubling the LDCs share of global exports by 2020 as had been mentioned in the Istanbul Programme of Action. It had acknowledged that a universal, rules based, open, non-discriminatory and equitable multilateral trading system was key to promoting export diversification, trade and economic growth.

3.16. All WTO Members should be committed to addressing the conditions in LDCs with regard to trade. In all negotiations, including those leading to MC11, developed and developing Members should be urged to give greater consideration to the LDCs and support their concessions.

3.17. It was no secret that LDCs had not been able to benefit fully from some of the concessions granted both within and outside the WTO framework. As Members embarked on the implementation of the 2030 Sustainable Development Agenda, they needed to take a critical look at trade issues in LDCs and the constraints that had hampered their trade in spite of the Aid for Trade resources which had reportedly been provided to them.

3.18. The 2017 Aid for Trade review which had focused on trade connectivity, including digital connectivity, had revealed the additional obstacles to trade by LDCs through e-commerce. The well-known obstacles that had negatively affected LDCs' participation in trade were compounded by additional factors such as limited broadband facilities and access to the internet as well as non-affordability of services when available. Statistics on the prevalence of mobile phones were deceptive because the possession of mobile phones in many cases did not mean a wide use of them due to the prohibitive costs of services. Unless the problems of access and affordability were addressed, LDCs would be left behind even further.

3.19. The 2030 Sustainable Development Agenda gave the Aid for Trade Initiative even greater relevance. It promised that "no one should be left behind". It also recognized the importance of trade for development. The Sustainable Development Goal 8.11 stated, "Increase Aid for Trade support for developing countries, in particular least developed countries, including through the Enhanced Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries."

3.20. It was clear that the financial requirements to address constraints were enormous and could not only be provided through overseas development assistance. That was where catalytic activities as promulgated by the Enhanced Integrated Framework came in. Diagnostic Trade Integration Studies, which aimed at identifying the constraints to the integration of LDCs into the multilateral trading system and the mainstreaming of trade issues into national development strategies, served as a tool to identify policy limitations and gaps in LDCs. Developing action matrices to address domestic bottlenecks to trade were crucial and a cornerstone of the Enhanced Integrated Framework in terms of integrating and mainstreaming trade into national development plans. In addition, implementing pilot projects which were aimed at leveraging activities by the public and private sectors were invaluable in ensuring other sources of funding for developing trade.

3.21. And yet, the Enhanced Integrated Framework did not receive the support it deserved by the entire Membership of the WTO. In the meetings of the General Council, most Members proclaimed the importance of addressing the concerns of the Least-Developed Countries but only a few of them had contributed to that important initiative. Sierra Leone called on all developed Members and those developing Members in a position to do so but which had not yet done so to contribute generously to the EIF.

3.22. On gender issues, as Co-Chair of the Gender Champions Impact Group on Trade together with the Ambassador of Iceland and the Executive Director of ITC and in which over 25 WTO Members were participating, they were looking closely into steps that needed to be taken both within and outside the WTO to address gender issues relating to trade and it was their intention to work towards a Ministerial Declaration on that subject at MC11.

3.23. The representative of Japan commended the efforts of the Secretariat for the success of the Sixth Global Review of Aid for Trade. That Review had been the first one since the adoption of the 2030 Agenda for Sustainable Development and had been held within the current climate of rising

protectionism and scepticism about trade. At such a critical juncture, the theme of the Review "Promoting Trade, Inclusiveness and Connectivity for Sustainable Development" had been timely. Through the Review, it had been widely recognized that promoting trade facilitation and digital trade would contribute to improving connectivity.

3.24. In the Review, Japan had co-hosted a side event on African industrialization in collaboration with UNIDO and other development partners. At that event and on other occasions, Japan had stressed the important role of private investment and sound business environment for development, and believed that Aid for Trade contributed in that regard.

3.25. As the top donor in that area, Japan would continue to assist developing countries, particularly LDCs, through Aid for Trade for their further integration into global value chains. His delegation would also actively engage in the processes of the next work programme.

3.26. The representative of Cambodia, on behalf of the LDCs, joined others in applauding the successful Sixth Global Review and congratulated the Director-General and the Aid for Trade Secretariat team for its successful organization. The LDCs attached great importance to Aid for Trade as they considered it as the most effective avenue for the meaningful integration of their economies into the multilateral trading system.

3.27. Lack of infrastructure and connectivity, particularly in relation to transportation and digital connectivity, had caused LDCs to experience difficulties in integrating into the multilateral trading system. Insufficiencies in those types of infrastructure in developing countries especially in LDCs led to low supply-side capacity and low levels of exports of local or national products.

3.28. The LDCs were concerned that the levels of Aid for Trade flows seemed to be heavily tilted towards other beneficiaries instead of them. Of the almost 300 billion dollars disbursed since 2006, only 27% of the financial flows had been channeled towards projects in LDCs – a very small percentage given the significance of the challenges that LDCs faced compared to others.

3.29. According to the Aid for Trade at a Glance Report of 2015 on reducing trade costs for inclusive, sustainable growth, a total of USD 246.5 billion in official development assistance was said to have been disbursed – USD 190.7 billion of which related to trade. That was a good showing since the launch of the Aid for Trade Global Review following the Hong Kong Ministerial Conference in 2005. The LDCs would however like to see better disbursements to each of them.

3.30. The Aid for Trade initiative was key for LDCs in diversifying and improving their product competitiveness. In that regard, the LDCs welcomed the joint efforts of the Aid for Trade Unit and the Enhanced Integrated Framework in identifying their needs, developing public/private partnership projects, obtaining funding and monitoring and evaluating the initiatives. The LDC Group called on Members to fulfill their commitments made in Nairobi in terms of contributions to Phase II of the EIF.

3.31. Moving forward, the LDC Group wished to see more intensified engagement between development partners, donors and the LDCs in the spirit of partnership to ensure that Aid for Trade opportunities were fully harnessed for socio-economic development and poverty reduction in their economies. The LDCs appreciated the invaluable efforts and contributions of the donors and development partners for continuing to provide financial and technical resources to the Aid for Trade Programme.

3.32. The representative of the European Union thanked the Director-General and the Secretariat for their hard work in preparing and delivering a successful Sixth Aid for Trade Global Review. The EU's commitment for Aid for Trade was clearly demonstrated by its financial contribution. Since 2007, the EU's total Aid for Trade had increased by 85% reaching over 13 billion in 2015.

3.33. Concerning the "Aid for Trade at a Glance" publication, while the EU agreed with the observation the Director-General had made at the release of the bulky document that actually could no longer be called "at a glance", that did not diminish the value the EU placed on the analysis contained in it.

3.34. It was useful to recall some of the priority themes that had come through most strongly at

the Sixth Aid for Trade Global Review: connecting those who were currently excluded, supporting increased participation in trade for MSMEs, removing barriers to realize the untapped potential of women and youth. And as had been recognized by all speakers, digitalization and e-commerce had the potential to contribute to all of those aims.

3.35. The representative of Australia congratulated the WTO on a successful Sixth Global Review of Aid for Trade. The outcomes of the Review had provided useful signposts to the WTO's future Aid for Trade work programme and for trade and development issues more generally.

3.36. The review had highlighted three main themes. First, there was a need to continue to assist developing countries to engage in the multilateral trading system which would boost trade and inclusive economic growth. Second, reforms to reduce trade costs and facilitate new areas of trade growth such as digital trade did not have to be an onerous or expensive investment. They should look to the private sector for innovations and affordable solutions. Third, trade could indeed be inclusive. Aid for Trade could insist in that regard for example by undertaking initiatives that target underrepresented groups particularly women and small businesses. Such investments could assist in countering protectionist sentiments.

3.37. Australia remained committed to the Aid for Trade initiative which included funding key initiatives such as the Enhanced Integrated Framework, the International Trade Centre and the World Bank Trade Facilitation Support Programme.

3.38. The representative of Brazil joined others in acknowledging the successful conclusion of the Sixth Global Review of the Aid for Trade initiative. Brazil appreciated the Director-General's engagement to support the initiative. It was another example of his active engagement to promote an agenda in favour of developing countries.

3.39. Brazil did not have an Aid for Trade programme structured as such as other Members had. Budgetary constraints had limited its activities in that area. Several Brazilian technical cooperation activities notably in agriculture had however a clear trade-related dimension. In that context, Brazil highlighted its south-south technical cooperation initiatives regarding the cotton production chain which had a strong connection with the ultimate goals of the Aid for Trade initiative. In the preparatory phase leading up to the Global Review, Brazil had also submitted a case study regarding its experience in providing technical assistance to Angola and Mozambique for the implementation of the TFA. Brazil praised the achievement of the Aid for Trade initiative and would continue to actively consider all possibilities to support it.

3.40. The representative of the Kingdom of Saudi Arabia said that Aid for Trade was an important vehicle for assisting developing countries and LDCs to improve their trade capacity and to benefit from the expansion of the global market. Aid for Trade was a global responsibility. Saudi Arabia allocated some national resources to support that initiative. Enhancing Aid for Trade programs would help narrow the gaps between developed and developing countries and that would make their work move smoothly. Saudi Arabia advised for the Aid for Trade Review to be dedicated to development needs and the enhancement of trade and to avoid linking it with any other non-trade issue.

3.41. The General Council took note of the Director-General's report and of the statements⁶.

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

4.1. The Chairman⁷ said that the item remained on the agenda to allow Members to continue to follow up on the decisions adopted in Bali and Nairobi – and to do so in an inclusive and transparent manner.

4.2. On 20 July, he had met with the Chairs of Regular Bodies to discuss implementation issues and to review their collective agenda in 2017. They had had a useful exchange and he thanked the

⁶ At their request, the statement of Japan on the Closing Session of the Aid for Trade Global Review on 13 July and those of Pakistan and the United States under this item are incorporated in the minutes of this meeting and can be found in Annex 6 of this report.

⁷ The Chairman's statement was circulated in JOB/GC/134.

Chairpersons for their cooperation and for the work they were taking forward in their respective bodies. As in the past, the discussions and inputs from that meeting were the basis of his statement that day.

4.3. Regarding the Decisions on "regular work", they had separate agenda items for three: the Work Programmes on Small Economies and on E-commerce; and Aid for Trade, which had been dealt with under the previous agenda item.

4.4. Concerning TRIPS non-violation and situation complaints, the TRIPS Council had discussed the matter at each of its meetings since MC10, including at its most recent meeting in June when Members had again reiterated their well-known positions. Since then, the Chair had been in touch with a number of delegations to explore possible ways forward to fulfil the Ministerial mandate, and to prepare a recommendation for MC11 that would need to be adopted at the TRIPS Council's meeting in October.

4.5. Moving to Agriculture, with respect to the Nairobi Decision on Export Competition, the second dedicated discussion on export competition had taken place during the June 2017 meeting of the Committee on Agriculture. It was worth noting that Australia had been the first and so far the only Member among the 16 WTO Members with export subsidy entitlements in their schedules of commitments to modify its schedule pursuant to the Nairobi Decision. During the dedicated discussion, other Members with scheduled export subsidy reduction commitments had provided updates on the steps taken to implement the Decision. The Committee on Agriculture should begin a review of the disciplines contained in the Decision in 2018.

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

4.7. With respect to the implementation of the Bali Decision on TRQ Administration, to date no Member had activated the TRQ underfill mechanism. According to the Decision, a review of its operation should begin no later than the end of 2017. The Committee on Agriculture would begin that review in its October meeting.

4.8. Moving to the Operationalization of the LDC Services Waiver, at its June meeting the Services Council had taken note of an additional notification of preferences. LDCs had shared with the Council their appraisal of the notified preferential measures and had encouraged other Members in a position to do so to notify preferences. The Group had then urged notifying Members to undertake specific technical assistance and capacity-building measures to enable LDC service suppliers to utilise the preferences granted. The CTS had received a total of 24 notifications of preferences in favour of LDC services and service suppliers. As a standing item on its agenda, the Services Council would take the matter up again at its meeting in September.

4.9. As regards the Preferential Rules of Origin for LDCs, the Secretariat was revising a draft report on the recently adopted modality for the calculation of utilization rates underscoring obligations related to the notification of preferential trade statistics. Following the adoption of a new template for the notification of preferential rules of origin for LDCs in March, all preference-granting Members had agreed to submit their rules using the new template. Some Members had informed the Committee on Rules of Origin about improvements being made to their rules of origin as a result of an examination of their rules in light of the relevant Ministerial Decisions. The CRO would hold a dedicated discussion on the substantive provisions of the Decision in its meeting in October.

4.10. Concerning the Monitoring Mechanism on Special and Differential Treatment, the CTD's Dedicated Session had held seven meetings since the Bali Ministerial Conference – but no written submissions had thus far been received. At the last meeting of the CTD in June, Members had shared their thoughts on why the Monitoring Mechanism had not yet been tested and whether or not there should be a review of the Mechanism at that stage. The discussion had shown that Members had different views on how the review should proceed in the absence of any experience about the functioning of the mechanism. The CTD Chair intended to hold informal consultations on the issue prior to the November meeting of the CTD.

4.11. Regarding the Bali Decision on DFQF market access for LDCs – that remained a standing item on the CTD's agenda. At the upcoming November meeting of the CTD, the Committee would undertake its annual DFQF review on the basis of a Secretariat report in line with the Bali Decision.

4.12. On Trade Facilitation, three additional Members had deposited their instrument of acceptance of the Trade Facilitation Agreement which entered into force on 22 February 2017 – bringing the overall number to 121. The Committee had also received new notifications concerning Category A, B and C.

4.13. The General Council took note of the Chairman's report.

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

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

5.2. Ambassador Taonga Mushayavanhu (Zimbabwe), Chairman of the Dedicated Session of the CTD, recalled that in his last report on the Work Programme on Small Economies, he had recalled that Ministers in the Nairobi Decision had asked the CTD in Dedicated Session to continue its work on global value chains. They had also requested the Secretariat to examine the challenges which small economies faced in their efforts to reduce trade costs, especially in the area of trade facilitation.

5.3. With regard to the work on global value chains, Members had finished reviewing the challenges and opportunities which small economies faced in integrating into global value chains in sectors such as agriculture, fisheries, textiles and clothing and services trade. As a follow-up to that review, the group of the Small and Vulnerable Economies had come up with a valuable outcome document which summarized the challenges in the area of global value chains and identified specific recommendations for action.

5.4. The paper had been circulated as WT/COMTD/SE/W/35 and had been discussed at the last meeting of the Dedicated Session of the CTD on Small Economies held in May.

5.5. At that meeting Members had also discussed a new Secretariat paper (WT/COMTD/SE/W/34) on "Challenges and Opportunities experienced by small economies in their efforts to reduce trade costs, particularly in the area of trade facilitation". Members were likely to revert to that paper at the next meeting of the Dedicated Session.

5.6. The representative of Guatemala, on behalf of the SVEs, said that Members had already started their work on the challenges small economies experienced in their efforts to reduce trade costs particularly in the area of trade facilitation. During their last meeting, the Secretariat had presented its background document on the subject and many Members in particular SVEs had presented their national perspectives.

5.7. As had been agreed by the CTD, two more meetings would take place. The first one would focus on the most important sources of merchandise and services trade costs reported by SVEs. The second meeting would focus on the actions and policies associated with the most positive results and best practices in reducing trade costs for goods and services. The SVEs looked forward on continuing that work and hoped to find concrete solutions and recommendations that SVEs could implement in order to reduce trade costs.

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

6 AMENDMENT OF THE TRADE POLICY REVIEW MECHANISM – DRAFT DECISION (WT/TPR/399)

6.1. The Chairman drew attention to document WT/TPR/399 which contained the proposal for a decision on an amendment to the Trade Policy Review Mechanism in Annex 3 of the Marrakesh Agreement Establishing the World Trade Organization. He invited Ambassador Juan Carlos Gonzalez (Colombia), Chairman of the TPRB, to introduce the draft decision.

6.2. Ambassador Juan Carlos Gonzalez (Colombia), Chairman of the TPRB, summarized the main steps that had led them to that agenda item of the General Council. As Members knew, the Sixth Appraisal of the Trade Policy Review Mechanism had been formally launched on 20 June 2016. A series of intensive consultations and meetings had been held during the second half of that year. Because of the active participation of all those involved, those discussions had been successful in reaching consensus.

6.3. The final report had been formally agreed at a Trade Policy Review Body meeting on 21 December 2016. On that occasion, as one of the main results of the 6th Appraisal had been the change in the TPR review cycles, Members had decided to launch the necessary procedures pursuant to paragraph 8 of Article X of the Marrakesh Agreement Establishing the WTO in order to change the current review cycles as specified in paragraph C (ii) of Annex 3 to the said Agreement. The change would be from 2, 4 or 6 years to 3, 5 or 7 years, effective as of 1 January 2019.

6.4. At its meeting of 27 January 2017, the Trade Policy Review Body had agreed by consensus to submit in accordance with paragraph 8 of Article X of the Marrakesh Agreement the proposal contained in document WT/TPR/399 to the General Council for a decision on an amendment to the Trade Policy Review Mechanism contained in Annex 3 to the Marrakesh Agreement.

6.5. The relevant part of paragraph 8 of Article X stated, "Decisions to approve amendments to the Multilateral Trade Agreement in Annex 3 shall take effect for all Members upon approval by the Ministerial Conference". In the present case, it was upon approval of the General Council.

6.6. He acknowledged the hard and efficient work done by his predecessor the former TPRB Chair Ms. Irene Young and all Members during the Sixth Appraisal of the Trade Policy Review Mechanism.

6.7. He underlined the significance for all Members of that result as they had been able to succeed in taking an important decision by consensus in a wide and participative manner and that had been done in a rather short period of time – a testament to the capacity of the WTO to deliver positive results to enhance its regular work.

6.8. The Chairman, further to the TPRB's consideration of the matter and to the report of Ambassador Gonzalez, proposed that the General Council adopted the draft decision on the Amendment of the Trade Policy Mechanism contained in document WT/TPR/399.

6.9. The General Council so agreed⁸.

6.10. The Chairman welcomed the decision and extended his sincere thanks to Ambassador Gonzalez, the current TPRB Chair, and to Ms. Irene Young (Hong Kong, China), the former TPRB Chair who had led the Sixth Appraisal of the Trade Policy Review Mechanism, for their efforts in facilitating consensus on that important matter.

6.11. The representative of Hong Kong, China, speaking as the former TPRB Chair, said that she had been entrusted with the responsibility to conduct the Sixth Appraisal of the TPRM during her term as TPRB Chair. She thanked the incumbent TPRB Chair for taking the final step to complete the legal formalities. She said that credit should go to all the Members who had contributed to the Appraisal. The whole exercise from the drawing board to the delivery of outcomes including the recommendation that had resulted in the Amendment they had passed that day had been completed in half a year. That would not have been possible without Members' cooperation. She also thanked the Secretariat for giving her very strong, professional support throughout the

⁸ The decision was subsequently circulated in WT/L/1014.

exercise.

6.12. Looking back, it had been as if all the stars had suddenly aligned to make that happen. But she was sure it had not just been luck. It had been due to Members' willingness to work together for a common good. It had not been because the stars had aligned. It had been due to the alignment of Members' interests, objectives and determination. If they could do it for the TPRB, perhaps they could also try to do it elsewhere – in other areas of work at the WTO.

6.13. For Members with a higher level of ambition, some of the outcomes could fall below their expectations. But there was always the next Appraisal to look forward to. They had made incremental progress that time. It was a small step but when it came to improving the functioning of the WTO – every step counted.

6.14. The General Council took note of the report of the Chairman of the TPRB and of the statement.

7 WORK PROGRAMME ON ELECTRONIC COMMERCE

7.1 REVIEW OF PROGRESS (S/C/52, G/C/59, IP/C/77)

7.1. The Chairman recalled that at MC10, Ministers had adopted a Decision on the Work Programme on Electronic Commerce. In the Decision, Ministers had decided to continue the Work Programme on Electronic Commerce and had instructed the General Council to hold periodic reviews in its sessions of July and December 2016 and July 2017 based on the reports that could be submitted by the WTO bodies entrusted with the implementation of the Work Programme. Those bodies were the Councils for Services, Goods and TRIPS and the Committee on Trade and Development.

7.2. In that respect, he drew attention to the reports submitted by the Chairs of the Council for Trade in Services, of the Goods Council and of the TRIPS Council to the General Council, contained in documents S/C/52, G/C/59 and IP/C/77 respectively. He invited the four Chairpersons to report on developments under the Work Programme on e-commerce since the General Council's last periodic review in December 2016.

7.3. Ambassador Julian Braithwaite (United Kingdom), Chairman of the Services Council, reported that the Council for Trade in Services had discussed the Work Programme on Electronic Commerce at both of its formal meetings, on 16 March and 16 June 2017. The CTS had then reverted to the issue at an informal meeting he had convened on 20 July.

7.4. Over the course of the two meetings, Members had considered a number of communications that had been submitted to the Council as well as other relevant bodies entrusted with the Work Programme. The communications had generated a very high level of engagement by Members. Many delegations had emphasized the transformative role of e-commerce, its positive impact on growth and development and its potential to reduce transaction costs especially for MSMEs.

7.5. A number of Members had shared information about their own domestic regulatory frameworks relating to e-commerce as well as their experience with negotiating e-commerce provisions in regional trade agreements. All delegations had welcomed the exchange of information on national experiences with regard to e-commerce.

7.6. Numerous Members had signalled their readiness to work towards an outcome for MC11. Various Members had said that many of the submissions tabled offered useful information and a structured approach that could facilitate discussions. Members' views on a Ministerial outcome on e-commerce had differed. Some Members had argued for a gradual approach that would initially focus on less controversial issues.

7.7. Other Members had however argued against any rule-making on e-commerce under the Work Programme or as part of any Ministerial outcome. Those delegations had stated that some of the communications tabled had gone beyond the purely exploratory mandate of the Work Programme and had underscored the need for the Work Programme to put the needs of developing countries and LDCs at the centre of the debate.

7.8. A few delegations had referred to the institutional arrangements for the Work Programme deliberations. While some had welcomed that submissions had been tabled and were being discussed in the various subsidiary bodies entrusted with the Work Programme including the CTS a few others had called for a more consolidated approach to deliberations to be held possibly in a joint meeting of all the relevant bodies.

7.9. The Council had continued consideration of a proposal to hold a thematic seminar on e-commerce.

7.10. That was as far as the discussions at the two formal meetings went. A fuller account of which was contained in his written report in S/C/52. At the informal meeting of the Council he had convened on 20 July, two items relevant to the Work Programme on Electronic Commerce had also been addressed: how to structure the Council's discussion under the standing agenda item on the Work Programme and the CTS thematic seminar on Electronic Commerce.

7.11. Regarding the first item, a number of Members had reaffirmed their position that the remit of the Council under the Work Programme had not called for any negotiation. Some delegations had suggested that any such negotiation should take place in the Special Session of the Council for Trade in Services.

7.12. There had been a general appreciation of the value of continuing with the exchange of information and experiences relating to electronic commerce in the Council. Regarding the discussion of the submissions tabled by Members, several delegations had stressed that the work of the Council should focus on the services-related aspects contained in the communications and that discussions on cross-cutting issues should take place in the General Council.

7.13. Regarding the organization of a thematic seminar, it had been clear that there was no convergence among Members to proceed at that point. Given the focus on preparations for MC11, it had been considered that the matter would be best taken up early 2018.

7.14. Ambassador Choi Kyonglim (Republic of Korea), Chairman of the Goods Council, said that as indicated in G/C/59, since December, the CTG had convened two meetings: the first on 6 April and the second on 30 June. At both meetings, e-commerce had been in the agenda. More than 40 delegations had taken the floor to express their views on e-commerce issues focusing on five papers submitted by different delegations. Many delegations mentioned the importance of sharing experiences and practices to allow Members to learn from one another.

7.15. Those discussions had demonstrated that Members' interest in e-commerce discussions had significantly increased at the CTG level. Despite Members' strong interest in e-commerce, a significant gap still remained in terms of their priorities and scope of discussion. A number of delegations had indicated their wish to identify e-commerce issues related to trade in goods as potential deliverables at MC11. Other delegations continued to highlight the development component and requested for clarifications of definitions before considering e-commerce as a potential outcome at MC11.

7.16. Divergences also existed as to the scope of discussions at the CTG level. Some delegations had indicated that Trade Facilitation and transparency in e-commerce regulations could be a good start for discussions. At the same time, e-signatures, e-certifications, e-authentications and paperless trade had been identified by some delegations as possible areas where an outcome could be achieved. Other delegations had been of the view that the CTG should focus on addressing development-related issues including the digital divide.

7.17. With regard to the moratorium on the imposition of customs duties, some Members had indicated that it should be made permanent while others had argued that it should only be extended.

7.18. He looked forward to further progress of the e-commerce discussion after the summer break. He stood ready to consult with any interested delegation in that regard.

7.19. Ms. Irene Young (Hong Kong, China), Chairperson of the TRIPS Council, said that IP/C/77 contained a factual report that she had submitted on her own responsibility in her capacity as

TRIPS Council Chair. It summarized the discussion among Members on the Work Programme on Electronic Commerce at the four regular TRIPS Council meetings.

7.20. At those meetings, Members had discussed the written communications and had shared domestic experiences and best practices.

7.21. Members had also considered how to take the work forward. There had been general support for further discussions, but no agreement on whether there should be a regular item on the agenda for that purpose. Some Members had also suggested considering the role of the WTO in support of e-commerce and in identifying elements and deliverables which the WTO could work on. But there had also been the view that the Work Programme was exploratory in nature and that the sharing of experiences and practices should be on a non-prejudicial and non-negotiating basis.

7.22. As Chair of the TRIPS Council, she encouraged Members to discuss issues of interest to them while respecting the Member-driven process. Given that the Work Programme was not a standing item on the agenda of the TRIPS Council, whether or not it would be further considered by the Council in the run up to MC11 for instance at the Council's next meeting in October was for Members to decide.

7.23. Ambassador Taonga Mushayavanhu (Zimbabwe), Chairman of the CTD, said that he was making the report under his own responsibility.

7.24. The CTD had discussed the issue of e-commerce during its formal sessions held in the course of the year and the end of 2016. Those discussions had been framed by a number of proposals that had been received from Members including one from China and Pakistan (JOB/DEV/39/Rev.1), one from Argentina, Brazil and Paraguay (JOB/DEV/41), one from the European Union and ten other developing countries (JOB/DEV/42) and one from a group of fifteen developing countries (JOB/DEV/43).

7.25. In their discussion of the proposals, Members had recognized the potential benefits of e-commerce but had expressed divergent views as to how to take that discussion forward. A number of Members had emphasized that the future path of e-commerce discussions in the WTO should properly take into account developing country concerns. Some had suggested that e-commerce discussions should focus on building an inclusive growth and equitable development trajectory for all developing countries including by allowing sufficient policy space to build an e-commerce base. They had also emphasized the need to address issues of access, affordability and availability which had been critical for developing countries and had urged donors to address the downward trend in Aid for Trade flows – especially for LDCs.

7.26. Other Members had recognized the importance of taking into consideration any specific aspects that could be relevant for developing Members and LDCs in the discussions on e-commerce and had suggested that Members took up the issue of e-commerce and digital trade step-by-step. That discussion should include concrete measures that could be taken by the WTO to improve infrastructure and the technical conditions for the development of cross-border e-commerce, emphasizing the role of development assistance.

7.27. The CTD would continue with its work of looking into the developmental aspects of e-commerce in order to ensure that the digital revolution was truly inclusive and opened up new trade opportunities for all.

7.28. The Chairman extended his gratitude to the four Chairs for the work carried out on e-commerce in their respective bodies and for their reports. He recalled that, in addition to undertaking periodic reviews, the Nairobi Decision had also instructed the General Council to report to the next session of the Ministerial Conference on the Work Programme. To fulfil that instruction, he informed Members that he would initiate consultations after the summer break on how best to organize their work on e-commerce in preparation for the Ministerial Conference in Buenos Aires. They would also recall that the current moratorium on the application of customs duties on electronic transmissions would expire at MC11. The consultations after the summer break would also need to consider how they would proceed on the matter.

7.29. The General Council took note of the statements of the Chairs of the Services Council,

Goods Council, TRIPS Council and CTD, and of the reports in S/C/52, G/C/59 and IP/C/77.

7.2 COMMUNICATIONS FROM JAPAN (JOB/GC/130), THE RUSSIAN FEDERATION (JOB/GC/131), AUSTRALIA, CANADA, COLOMBIA, QATAR AND SINGAPORE (JOB/GC/132)

7.30. The Chairman drew attention to the Communications from Japan (JOB/GC/130), the Russian Federation (JOB/GC/131), and Australia, Canada, Colombia, Qatar and Singapore (JOB/GC/132).

7.31. The representative of Japan briefly touched upon his delegation's intention in submitting the paper. Since MC10, Members had shown great interest in electronic commerce. A number of submissions had been put forward. Seminars and workshops had been organized inside and outside the WTO. However, as had been reported by the Chairs of the relevant bodies, discussions had not evolved quite meaningfully in the regular meetings including in the dedicated discussion of the General Council. Members had been trapped in the so-called "mandate issue".

7.32. Against that backdrop, the paper set out to suggest a possible way for Members to engage in more constructive and more structured discussions. The approach Japan proposed was fully consistent with the Work Programme of 1998.

7.33. Concerning the paper, Japan tried to grasp the current situation as objectively as possible. Members had wide-ranging views on how best to proceed and those views had not yet converged. Some Members believed there was a need to strengthen the WTO rules while others did not.

7.34. Japan believed that establishing new rules including data flows in that area was necessary. Due to the lack of convergence among Members, Japan however suggested that Members deliberate one more year to deepen discussions. Within one year following MC11, Members should evaluate whether it would be necessary to clarify or strengthen the existing WTO rules. Members could then decide to initiate negotiations as appropriate.

7.35. With regard to the annex of the paper, Japan believed that the numerous submissions and workshops/seminars since MC10 were valuable assets that provided insights into issues for future discussions. His delegation had therefore compiled them as an illustrative list. That was not an exhaustive one and Japan was open to additions and revisions.

7.36. In terms of the development aspect, as many developing Members had pointed out, Japan recognized that developing countries were facing a number of challenges to be addressed such as inadequate infrastructure and lack of payment solutions. In that regard, Japan highly appreciated the contributions from developing Members that highlighted those issues especially those from the Friends of E-commerce for Development Group.

7.37. It would be important to examine how to address those challenges during the evaluation work that Japan suggested. Some S&D schemes inspired by the Trade Facilitation Agreement appeared to be worth discussing.

7.38. On the other hand, the WTO could not handle certain challenges on its own. It was therefore important to seek possible collaboration with other international organizations and various stakeholders.

7.39. In any case, as an important donor, Japan had been working and would continuously work with developing Members on that matter. His delegation was looking forward to seeing valuable inputs from them.

7.40. On the papers from the Russian Federation and Singapore and the other co-sponsors, Japan supported the idea proposed in the Russian paper of "examining developing multilateral regulative rules." His delegation was also interested in the proposal of establishing a "Working Group on Electronic Commerce" under the General Council. Japan positively evaluated Singapore's paper as a valid idea for clarifying the way forward to MC11.

7.41. Japan was looking forward to hearing comments and questions on its paper from Members. Based on that day's debate, his delegation was considering preparing a draft text of a specific

Ministerial Decision. The text would address not only a possible way forward but also other elements including moratorium issues.

7.42. It was obvious that the examination of a draft Ministerial Decision on Electronic Commerce should take place at the General Council since the Work Programme of 1998 prescribed that the General Council should play a central role in the whole process. In that regard, Japan requested the General Council Chair to take the lead in ensuring that Members engaged in meaningful discussions towards MC11.

7.43. The representative of the Russian Federation said that interest on e-commerce and its relevance to Members' work in Geneva had never been clearer. For the past eighteen months, Members had had up to twenty submissions on the table apart from the papers that had been circulated for the past twenty years since the establishment of the Work Programme on Electronic Commerce.

7.44. E-commerce was in the WTO with an exploratory mandate, yet there was still no clarity on what Members were exploring. Discussions that had taken place in early 2000 had not provided any outcome. The reason for that was that discussions on substance had gone around the same issues, mandates and place for discussions.

7.45. In its proposal, Russia suggested for Members to think about what they wanted to achieve in Buenos Aires. As a cross-cutting issue, a holistic approach on e-commerce would be crucial if they wanted to substantively explore the topic. Making a fast decision or postponing it for another twenty years were two extremes that should be avoided. Members should be rational and pragmatic in their search for optimal solutions. That was what Russia's initiative was about.

7.46. Russia believed that e-commerce was a reality that Members needed to deal with and be constructive about. Discussions and a balanced evaluation of the issue would be key to move the conversation forward, to structure their work and to bridge the knowledge gap.

7.47. The representative of Singapore, also on behalf of Australia, Brunei Darussalam, Canada, Colombia, Costa Rica, Hong Kong, China, Republic of Korea, Lao PDR, Malaysia, Republic of Moldova, Myanmar, New Zealand, Nigeria and Qatar, said that there had been a lot of discussions and work done on e-commerce since MC10. Members had been actively engaged in discussions in WTO committees through the 18 papers that had been formally tabled including theirs and also through informal outreach and information sharing activities such as those organized by the "Friends of E-Commerce for Development".

7.48. The discussions had been enriching and had helped them to understand better the interface between trade policy and e-commerce. The inherent complexity and the cross-cutting nature of e-commerce were evident from the discussions they had had so far. In that regard, the compartmentalized conversations Members had been having made it difficult to connect the dots and to recognize synergies. It was for that reason that the co-sponsors of the paper believed that it was important for Members to discuss how the WTO could better facilitate more focused work and holistic discussions on e-commerce within the ambit of the e-commerce work programme – a discussion of both process and substance.

7.49. In preparation for the upcoming MC11, they proposed that Members embarked on a discussion to identify possible improvements to processes and issues of interest if any that they would like to take forward. That could be done on the basis of Members' proposals and ideas. The outcome of those discussions should be captured in the MC11 Ministerial Decision on E-Commerce so that Ministers could give a positive, future-oriented message on e-commerce work at the WTO and set out a clear direction and framework through which future work with development at the core could be undertaken.

7.50. They hoped that a horizontal process under the auspices of the General Council could be established to facilitate the discussions in the lead up to MC11. That process would allow Members to get a more detailed reading of proposals and ideas such as the ones that had been tabled by Japan and Russia. Given that time was running short, it was important that Members embarked on that preparatory process as soon as possible and that substantive discussions commenced immediately after the summer break.

7.51. On behalf of Singapore, she said that over the past year and a half Members had heard narratives on how e-commerce could be a driver of growth, enable the fulfilment of development objectives and empower inclusive trade. They had also heard that there were gaps to be filled in the pursuit of e-commerce – infrastructure or regulatory gaps for instance and the need to preserve government policy space to regulate. Since Nairobi, they had had many information sessions and seminars, among others, on e-commerce. The issue had not been contested and Members were divided on how to approach the issue. What they had not heard was any Member contesting whether the WTO could talk about e-commerce.

7.52. Members agreed that the WTO e-commerce work programme had been mandated by Ministers since 1998. In fact, their Ministers had established a Work Programme on Electronic Commerce in 1998 when internet connectivity had still been limited and e-commerce had just been in its nascent stages of development. Their Ministers had had the foresight to identify that as an emerging area in international trade that ought to be looked into by the WTO from 20 years ago. If the digital economy would be the future economy, the corollary should be that digital trade would be the future of trade. As the institution at the forefront of international trade governance, the WTO should be equipped to lead on and deal with trade policy related aspects of digital trade.

7.53. There had been some ideas on how e-commerce could be advanced in the WTO. Singapore appreciated the European Union's efforts in trying to harvest concrete outcomes on an enabling environment to facilitate online transactions under the services framework. Her delegation hoped Members would engage constructively on the submission and pursue outcomes that could help build confidence and provide an enabling environment for MSMEs to venture into cross-border e-commerce.

7.54. Singapore also welcomed the papers by Japan and Russia that had been tabled. Japan's idea for an evaluation process on the necessity of clarifying or strengthening of existing WTO rules after MC11 was pragmatic and reasonable and could help focus their efforts after MC11. Russia's idea for a working group for e-commerce was also something worth considering especially as they had seen how e-commerce issues tended to cut across many trade policy areas.

7.55. Between then and MC11, Singapore hoped that a horizontal process could be established to work through those issues and the ideas that had been put forward. The earlier Members started, the more inclusive the process would be and the more time they would have to pull the various strands together and achieve an outcome reflective of their collective aspirations and ambitions for e-commerce at the WTO.

7.56. The representative of Qatar associated with the statement made by Singapore on behalf of the co-sponsors of the paper entitled "Advancing Work on the E-Commerce Work Programme". In line with what his delegation had cited during the 25 July Informal HODs Meeting, he found that extensive discussions on e-commerce had taken place in the WTO since MC10. Many Members had been actively engaged in the discussions through the 18 papers that had been formally tabled so far. There was a lot of merit in any sort of information sharing activity – whether it was on a formal or informal setting. Such discussions had been useful in understanding the deep relationship between trade and e-commerce with regard to its development dimension.

7.57. It was evident that the complicated world of e-commerce was cross-cutting in nature. Qatar therefore encouraged a more practical and viable approach towards the process and substance of any future discussions within the framework of the Work Programme on Electronic Commerce. In light of that, Qatar would like to see a horizontal process to take place at a technical level.

7.58. After the summer break, there would be a little more than three months left until MC11. Bearing that in mind, it would be imperative to accelerate substantive discussions on strengthening WTO disciplines and preparing the Ministerial Decision on E-Commerce.

7.59. Qatar did not seek to change the nature of the Working Parties but the content of the Ministerial Decision should reflect the increased relevance of e-commerce on international trade. His delegation looked forward to continuing discussions to achieve a concrete outcome on e-commerce in Buenos Aires.

7.60. The representative of Costa Rica, on behalf of the FEDs, encouraged the Chairman to launch

a process where the work that had been done so far related to e-commerce would be reflected including the nearly twenty proposals that had been tabled and to start the preparations on the future work that their Ministers could agree on at MC11.

7.61. He reminded all Members who shared concerns about development that they were all welcome to join the e-dialogues. The FEDs were hoping for their participation by sharing with them those issues that remained unseen and by helping them to enrich that discussion.

7.62. From then until MC11, the FEDs would host open-ended sessions on a wide variety of themes that had been identified by a broad host of stakeholders that responded to the needs of developing and LDC Members.

7.63. The calendar of activities and the roadmap had been shared to Members at the meeting and would also be distributed electronically. The FEDs were certain that together Members could move forward in a constructive and mutually beneficial manner.

7.64. On behalf of Costa Rica, he joined Singapore and others on their proposal to start a process towards having a Ministerial Decision on E-Commerce. He recognized the presence of developmental challenges that Members should tackle. He said that Members would not want to have five-star e-commerce in one-star communities. What good would it serve to have 4G or 5G broadband with 100% coverage for entire countries that did not have road infrastructure to receive basic social services offline? The only way to address those and other issues would be to talk about them in an inclusive and constructive manner.

7.65. The representative of the Republic of Moldova associated, as a co-sponsor of the paper, with the statement made by Singapore on "Advancing Work on the E-Commerce Work Programme". Albert Einstein had once said, "We cannot solve problems by using the same kind of thinking we used when we created them". Modern day industry problems would be solved not by traditionally managed services, but by digital solutions.

7.66. In order to have a strong e-commerce policy, governments needed to have a strong e-governance policy. That could be achieved through four things: strong participation and leadership of the government and implementation of the policies to cater to the requirements of the investors; create and empower another agency to coordinate efforts and decision-making – in Moldova that agency was called by the Prime Minister as the "E-Governance Centre"; invest in building infrastructure and enhancing skills base; and work with international experts and encourage all leaders to develop a unique differentiation for the country.

7.67. To have access to a large market, one should have access to online commerce. A string of amendments had recently been made in Moldova to its existing rules on electronic trade to adapt them to its current needs. Moldova also made sure to boost its information technologies sector through its national strategy – "Digital Moldova 2020". Building a country's future would be unthinkable without a digital strategy that would create opportunities to innovate and develop ICT technologies and for each contractor and government agency to maximize the usage of government data services for the benefit of the citizens.

7.68. Many developing countries unfortunately espoused the view that before they could think about e-commerce, the developmental focus should first be shown in their discussions. Electronic Commerce was however facilitating development – which should be the main message.

7.69. On a national capacity perspective, Moldova stressed the need for e-governance. Creating e-commerce necessitated strong political will. It was therefore important to have the idea of e-commerce promoted together with e-governance.

7.70. Moldova saw the transformative role of e-commerce, its positive impact on growth and development and its potential to reduce transaction costs especially for SME and MSMEs. Setting up an efficient mechanism for information sharing among Members on their best practices concerning their domestic regulatory framework for e-commerce would be essential.

7.71. Moldova conveyed its efforts to work towards an outcome for MC11 on e-commerce. There was currently sufficient information provided that could enable Members to move forward in a

structured approach and that could facilitate their discussions. In order for them to successfully move forward, they needed to put the needs of developing countries and LDCs at the centre of the debate. Addressing the implications of e-commerce on development, industrialization and employment would benefit them.

7.72. Priority should undoubtedly be given to reducing the digital divide and promoting Global Value Chains. If Members would have an open and sincere dialogue among themselves, they would see the advantages of e-commerce as a means to ensure faster development and to reduce costs. Since the WTO was one and should be a Member-driven organization, only by coming together could Members pass through the long path to success.

7.73. The representative of Canada associated with the statement made by Singapore on behalf of the co-sponsors and welcomed the papers presented by Japan and Russia. Canada had seen strong interest from many Members for substantive work on e-commerce at the WTO. Fruitful discussions had been held in the CTD, the CTG, the CTS and the TRIPS Council covering a range of topics including electronic authentication, consumer protection, transparency, cooperation, robust implementation of the TFA, the contribution of the ITA and the customs duty moratorium.

7.74. Members needed to continue to work to build a common understanding on how they could use trade policy to better leverage e-commerce for inclusive and sustainable growth. Due to its interrelation with trade, e-commerce would unavoidably be an integral part of the future work of the organization.

7.75. Much had changed since 1998 when Members had started the Work Programme on Electronic Commerce. To remain relevant, the WTO needed to address the issues that were currently important to their stakeholders. With MC11 approaching, Members should focus their attention on how e-commerce would be addressed both in Buenos Aires and more importantly beyond MC11.

7.76. The representative of Colombia welcomed the reports about the activities in the various Councils and the three papers presented that day, which significantly contributed to Members' discussions on e-commerce. Colombia shared the sentiments enshrined in the proposals on boosting the discussions on e-commerce particularly those expressed in JOB/GC/132 – a proposal that it had co-sponsored. In that regard, his delegation associated with the statement made by Singapore.

7.77. The work that had so far been undertaken had contributed to allowing Members to understand much more clearly the various elements of e-commerce. It had also been made clear that significant challenges remained in terms of achieving concrete results because of the cross-cutting nature of the different e-commerce related topics under the various WTO Agreements.

7.78. In that regard, Colombia supported the idea of conducting parallel discussions on the substance of the various e-commerce issues with development as its main pillar. That constructive process would help Members move e-commerce forward particularly in light of the upcoming Ministerial Conference in Buenos Aires and beyond. His delegation conveyed its readiness to continue to actively participate on such discussions given that e-commerce was one of its great interests and a priority for its development.

7.79. The representative of Chinese Taipei said that his delegation was pleased to see so many submissions on e-commerce since MC10 which demonstrated renewed interest by Members from a range of different perspectives. Chinese Taipei particularly welcomed the latest proposals from Japan, Singapore and the Russian Federation. Those had been tabled timely as Members embarked on the serious work of preparing for MC11.

7.80. Like many others, Chinese Taipei had already been exhibiting particular interest on e-commerce for quite some time. The WTO should play a critical role in support of the digital economy and trade in both developing and developed country Members alike.

7.81. The suggestion to accelerate discussions on e-commerce or digital trade should not however be taken to imply that the issue had to be rushed simply for the sake of achieving an outcome at MC11 that would be limited only to a few aspects. It would be essential for Members to conduct in-

depth discussions and comprehensive reviews to get the full picture from all aspects. Chinese Taipei therefore fully supported Japan's initiative to allow more time to reflect on the topic.

7.82. Chinese Taipei had also been making efforts to shed more light on the impact of e-commerce and the real issues involved. His delegation had recently submitted two technical papers to the relevant WTO bodies aiming at clarifying some fundamental issues to be resolved in the digital world and looked forward to discussions and engagement by Members after the summer break.

7.83. The main reason why Chinese Taipei supported Japan's proposal was because it suggested that Members should wait for one year. Waiting did not however constitute doing nothing. It meant taking the time to properly consider the key aspects, actively checking and drawing up an agreed "roadmap" – thus improving their chances of reaching the right destination and possibly achieving a much more fruitful result.

7.84. He often used a simile to describe the current situation. Having started the discussion on digital trade or e-commerce some nineteen years ago without getting any concrete results, Members could say that they were "lost in the WTO forest of complexity". Psychologists had described three possible types of responses by drivers who got lost in their cars. The first one was to get out of the car and ask local residents for help. That could not apply to the WTO for there were no so-called "local residents" to call upon. The second was to stop and to look at and check on the map. That seemed to be Japan's proposal. The third response was to keep on driving and search as they drove. That seemed to be what the WTO had been doing for the last nineteen years. Members had never stopped to check the map. They just kept on driving. It would be wise for them to use the next twelve months to thoroughly study and check the map which was consistent with Japan's proposal. It could also help them find solutions or responses along the way for Members who still had reservations on the issue. The psychological research he had mentioned also suggested that most people adopting the third approach were males because the psychologists suggested that males were often over-confident so they did not feel the necessity to stop or pause. The male staff in his delegation including himself had reflected long and hard over that and had come to the conclusion that they too could have been guilty of some over-confidence in the discussions on e-commerce topics in the past – another reason for Chinese Taipei to decide to support Japan's proposal.

7.85. The representative of New Zealand was pleased to co-sponsor document JOB/GC/132 and to join the statement delivered by Singapore on behalf of the co-sponsors. Like many others, New Zealand acknowledged the increasing role that e-commerce and digital trade were already playing and would continue to play in international trade. The opportunities and challenges it represented to Member economies were only going to increase. There was an important role for the multilateral rules based system in how Members would respond to that.

7.86. The importance of the existing negotiating agenda had been mentioned – particularly agriculture. He doubted that there was any WTO Member that was more impatient for further market-opening reform of Agriculture pursuant to Article XX of the Agreement on Agriculture. New Zealand had lent its support for nearly fifteen years in looking to shepherd and facilitate the negotiating process on their behalf for that objective. His delegation currently had its own voice again and would continue to vigorously use it.

7.87. New Zealand likewise agreed with others who talked about the importance of the WTO updating itself. The WTO was never going to be at the cutting edge of business but it was important that the floor that the WTO represented got a little bit closer to the reality of where modern business was. If they did not do that, they risked the discussion going somewhere else.

7.88. In order for the WTO to contribute to the discussion in a meaningful way, New Zealand agreed that the WTO needed a better process as had been suggested in different ways by each of the papers. His delegation had appreciated the exchanges in the various Councils but in order to give due justice to the ideas that many Members had put on the table so far, Members needed to move from that compartmentalized general discussion to a horizontal discussion where they considered the issues in a holistic way and in a more focused manner.

7.89. Only through that could Members be assured that they would get the necessary guidance at MC11 for their future work on electronic commerce which should encompass the possibility of negotiated outcomes by MC12. New Zealand was encouraged in that regard particularly after the Chairman's announcement that he would begin consultations on the issue after the summer break.

7.90. The representative of Chile was grateful for the work done by the various proponents of the proposals put forward on e-commerce. Those were undoubtedly valuable contributions to that important topic.

7.91. Chile endorsed the submission in document JOB/GC/132 circulated by Singapore, Australia, Canada, Colombia and Qatar. The partial analysis that had been done on e-commerce in the various regular bodies did not achieve a holistic vision of that area. His delegation therefore supported the steps to be taken to address the matter. In particular, JOB/GC/132 expressed that Members should discuss how the work programme could facilitate holistic and focused discussions on e-commerce identifying procedural improvements and topics of interest. Such should be reflected in a Ministerial Decision in Buenos Aires which should provide clear direction to the future work on e-commerce.

7.92. With regard to the document submitted by the Russian Federation, Chile endorsed the needs expressed to adopt a holistic approach to discussions on e-commerce given its crosscutting nature. His delegation supported the proposal to create a Working Group on E-Commerce – a technical forum to discuss that topic in depth. Chile hoped that the discussions on that topic be enriched by those proposals allowing Members to achieve tangible results for Buenos Aires.

7.93. The representative of Mexico welcomed the communications from Singapore and co-sponsors, Japan and the Russian Federation all of which contained valuable proposals which would help Members to focus their discussions on e-commerce in the run up to the Ministerial Conference in Buenos Aires. Mexico had co-sponsored a range of proposals on e-commerce and had participated in discussions which had taken place within the work programme. Following the paper of Singapore and its co-sponsors, Mexico recognized the need for a more holistic approach in Members' discussions for them to secure concrete recommendations in the run up to MC11.

7.94. Procedural improvements were necessary and would allow Members to have a better space to discuss e-commerce based on the concrete proposals that Members had submitted. Mexico was concerned that discussions within the work programme were not allowing them to secure concrete recommendations on e-commerce and that the Ministerial Decision would simply be limited to an extension of the moratorium – that was not what Mexico had hoped for.

7.95. If properly managed, promoting e-commerce could be a powerful source of growth and development – such as by facilitating the integration of SMEs into global trade. The WTO should not ignore that reality which had already been addressed in other international fora and alternative negotiating spaces. MC11 presented the perfect opportunity to show to the world that the organization remained relevant as it continued to address the trade needs of the 21st Century.

7.96. The representative of the United States welcomed the new contributions made by various Members dedicated to continuing progress on electronic commerce.

7.97. The United States supported e-commerce outcomes in the WTO but recognized that Members at that stage had divergent perspectives as to what those outcomes should be. To bridge those divides, the United States agreed with Members who had proposed re-invigorating discussions in the Work Programme on Electronic Commerce. Members could use the following year to consider how existing rules and commitments related to e-commerce could be strengthened or clarified and what new rules could be developed. That would provide a useful foundation for progress in the future.

7.98. Rules that reinforced the openness of the Internet would allow digital trade to continue to be a dynamic force for economic growth.

7.99. It had clearly been heard that issues around the digital divide were a priority for many Members. The United States welcomed the opportunity to work with Members under the work programme agenda on how digital trade could serve as a bridge to foster economic growth and

development.

7.100. Even as the digital divide remained a challenge, many developing countries were already hotbeds of innovation. Members across the income spectrum stood to gain from productive work in that space. The United States looked forward to making progress in the Work Programme on Electronic Commerce that would contribute to robust digital trade and widely-shared economic growth.

7.101. The representative of Australia said that electronic commerce was a powerful driver of international trade, inclusive economic growth and development. Development of rules on electronic commerce would benefit the entire membership. An outcome on electronic commerce at MC11 would signal the WTO's continued relevance in the rapidly evolving global trade environment helping to catch the opportunities offered by e-commerce especially for MSMEs.

7.102. Australia had co-sponsored the paper presented by Singapore and endorsed the statement it had delivered on their behalf. A crucial next step would be to establish a new horizontal process on e-commerce between then and MC11 for all Members to engage constructively by identifying issues of interest that they would like to take forward and by suggesting improvements to WTO processes. That process would ultimately help the Ministers to provide clear direction at MC11 for future work on e-commerce.

7.103. Australia welcomed the paper presented by Japan which provided clear proposals for moving work forward. For e-commerce to better contribute to global trade, it would be essential to create an enabling and predictable regulatory environment and to address structural challenges.

7.104. Australia welcomed the paper circulated by the European Union in the CTS SS and saw value in a multilateral agreement on pragmatic trade rules that would help facilitate online transactions of businesses and consumers around the world. That incremental pragmatic approach was what was needed to provide a starting point for a broader exploration on other issues relevant to facilitating e-commerce.

7.105. Australia also noted Russia's proposal on creating a working group to advance work on e-commerce and welcomed discussions on innovative ideas on how to continue Members' engagement.

7.106. All of those papers were complementary to each other providing a basis for further detailed discussions after the summer break. Australia urged for the establishment of a process to consider those papers and any future contributions from Members in a more in-depth manner in the lead up to MC11.

7.107. To provide greater certainty to consumers and businesses engaged in international online trade, Australia encouraged Members to agree to make the Moratorium on Customs Duties on Electronic Transmissions permanent.

7.108. In relation to the development dimension of e-commerce, Australia acknowledged the digital divide that existed. Her delegation had listened carefully to the concerns raised by several Members, had seen the value of the contributions of the "Friends of E-Commerce for Development" and had attended the panel discussion organized by the African Group – and had taken note of the communication in relation to that discussion.

7.109. Australia had taken action in that regard by contributing to the development funding to help bridge the digital divide particularly in its region. For example, her delegation had facilitated internet connectivity in Tonga and Fiji, had improved telecommunications access in Vanuatu and had increased mobile coverage in the Solomon Islands.

7.110. Australia welcomed ideas on how the WTO could complement working in other fora to bridge that divide. In particular, her delegation supported the approach of collaborating closely with relevant stakeholders and other international organizations. While acknowledging that the divide existed, Australia did not believe that its existence was a reason for the WTO to stand still as the rest of the world moved forward. Members should work together to ensure that the WTO remained relevant and that the benefits of e-commerce were captured by all.

7.111. The representative of Hong Kong, China supported advancing discussions on e-commerce in the WTO. Under the Work Programme, Members had been discussing different aspects of e-commerce including its implications for WTO's work. There were different views on how the discussion should proceed in terms of substance and process. To a certain extent, that reflected the different levels of digital development in different countries – hence their different focuses. But she had not heard any Member say that e-commerce was unimportant or irrelevant to its economy. Despite the differences, there should be common ground.

7.112. The question would then be on how Members could build upon the common interests and deliver some concrete results. The three communications circulated for the meeting in JOB/GC/130, JOB/GC 131 and JOB/GC/132 suggested different approaches. Her delegation had an open mind on all of them.

7.113. Hong Kong, China associated itself with JOB/GC/132 in particular as it had co-sponsored it with Singapore and other Members. The paper offered a pragmatic way forward – basically inviting Members to identify possible improvements to the process and issues of interest for Ministers to discuss at Buenos Aires – without prejudice to Members' positions on the substantive issues and fully respecting the exploratory nature of the existing Work Programme. The proposal anchored upon common ground that Members already shared and adopted an approach which was open and inclusive enough to accommodate any emerging consensus.

7.114. One clear message underlying all the three communications was that Members needed to be more proactive in charting the next steps. The world was moving fast. Digital technology was already transforming many aspects of their lives including trade. The WTO should keep up or it could risk losing its relevance. She asked whether Members were ready to capitalize on that development and to take advantage of the possibilities that the rules-based multilateral trading system could offer. Her delegation called upon them to reflect on the process of their discussions on e-commerce so that the WTO could give that question a timely response.

7.115. The representative of the Republic of Korea thanked Japan, the Russian Federation and Singapore and other delegations for their recent proposals on e-commerce and their respective presentations. Korea had joined Singapore's paper as co-sponsor and associated itself with the statement made by Singapore in that regard.

7.116. Digital economy and e-commerce were key drivers of economy and trade. Members had worked hard to catch up with that reality for more than a year with a renewed attention. Korea did not however see much convergence in Members' perspectives regarding the role of the WTO on e-commerce both in the substantive and procedural aspects.

7.117. As it had stated in the 25 July Informal HODs, Korea supported continued efforts to deliver substantive outcomes at MC11 on the less controversial areas of e-commerce. In that regard, his delegation believed that the European Union's proposal on some deliverables merited serious consideration.

7.118. It was likewise important to provide clear guidance at MC11 on the future work of the WTO on e-commerce. Deliberations on e-commerce at the WTO would have to continue beyond MC11 whether or not Members succeeded in delivering some substantive results in Buenos Aires.

7.119. The three proposals submitted by Japan, the Russian Federation and Singapore were relevant and timely as they presented useful ideas on possible ways forward on e-commerce. They were also complementary to one another.

7.120. Singapore's proposal called for embarking on focused discussions to prepare for a Ministerial Decision on E-Commerce at MC11. Japan's paper offered useful ideas on a post MC11 process and an illustrative list of e-commerce related issues. Russia's proposal identified what needed to be done in the WTO on e-commerce including the creation of a Working Group on E-Commerce.

7.121. Those proposals together provided a good basis to construct a Ministerial Decision on E-Commerce in Buenos Aires. To prepare and agree on a Ministerial Decision, Members had to

engage in focused and intense discussions of a cross-cutting nature. Korea looked forward to seeing the General Council play a greater role as a platform for such discussions.

7.122. The representative of the Philippines, on behalf ASEAN, reaffirmed ASEAN's interest in continuing e-commerce discussions under the 1998 E-Commerce Work Programme. Enhanced information and experience sharing under the Work Programme would help all Members better understand where the WTO could help them achieve their trade policy objectives in e-commerce.

7.123. With that in mind, ASEAN had organized a lunch panel as part of the UNCTAD E-Commerce Week to further examine how e-commerce trade rules could benefit MSMEs in developing countries. The event had been organized as ASEAN had seen value in trying to find synergies between discussions in UNCTAD and the WTO on the development aspect of e-commerce. ASEAN had then circulated a paper summarizing its reflections and key takeaways from the lunch panel. ASEAN thanked Members for their positive encouragement and constructive engagement on its reflections.

7.124. As had been highlighted before, ASEAN was also currently working on an ASEAN E-Commerce Work Programme and had agreed to commence negotiations on an ASEAN Agreement on E-Commerce. ASEAN looked forward to sharing with the Membership its progress on that front.

7.125. ASEAN welcomed the interest in e-commerce at the WTO and would continue participating actively and making contributions to discussions.

7.126. The representative of the European Union considered e-commerce as an important topic for the future work of the WTO. The European Union wished to see progress on a set of concrete short-term deliverables. The EU had therefore submitted in May its proposal to the CTS SS and was ready to engage on potential WTO work in that area in the longer term.

7.127. Since the Buenos Aires Ministerial Conference was fast approaching, the EU welcomed Singapore and co-sponsors' ideas outlined in JOB/GC/132. Its aim was to structure the process in the next few months allowing Members to develop an ambitious Ministerial Decision on e-commerce that would provide clear direction for future work in that area.

7.128. In line with the consultation process whose initiation the Chairman had announced in his report, Members needed a clear and unambiguous locus where they could discuss right after the summer break what Ministers could decide on in Buenos Aires concerning e-commerce. The communications by Russia and Japan would be important contributions to that question.

7.129. Regarding the substance, the European Union agreed on the importance of e-commerce and the benefits of identifying gaps in the WTO. However, his delegation had some doubts about the usefulness of long, drawn out evaluation processes which would unfold after MC11 because various Members had already looked at the roadmap during the previous year.

7.130. The representative of China said that it was an undisputable fact that e-commerce was profoundly reshaping the current business landscape. For developing Members and SMEs, e-commerce could effectively reduce the cost to enter international markets as it provided them with new and unprecedented opportunities. Members should however likewise recognize the digital gap and the lack of regulatory capacity that prevented many Members especially LDCs from fully taking advantage of the potential brought by e-commerce.

7.131. E-commerce was fundamentally transforming the global economy. If developing Members failed to seize that opportunity, the digital gap would not automatically disappear but they would risk missing the train of historic opportunity.

7.132. Despite the difficulties Members were facing, China still expected a positive outcome on e-commerce at MC11. As long as they put the development dimension at the centre of their work and managed their level of ambition properly, they would be able to reach a multilateral outcome on e-commerce. Not only would it consolidate and strengthen the confidence in the multilateral trading system, but it would also bring huge trade benefits to developing Members.

7.133. Bearing that in mind, China welcomed the recent proposals by the Russian Federation,

Japan and Singapore and other co-sponsors and was ready to constructively engage in the upcoming discussions.

7.134. China also welcomed the recent report by the African Group on the panel discussion regarding digital industrial policy and development, which had highlighted some concrete challenges developing Members faced. China attached great importance to relevant conclusions in the report and was ready to actively work with Members to find solutions in that regard. China meanwhile urged Members to remain open-minded for relevant discussions.

7.135. China was also preparing a paper regarding facilitation of cross-border e-commerce which would encompass elements such as the moratorium, paperless trade, e-signature, e-authentication and e-contract, online consumer protection, personal information protection, transparency and development and cooperation. China hoped that paper would facilitate discussions on e-commerce leading up to MC11 and would welcome any constructive suggestion in that regard.

7.136. The representative of Pakistan associated itself with the statement made by Costa Rica on behalf of the FEDs and thanked Japan, the Russian Federation, Singapore and others for presenting the papers on possible Ministerial guidance for MC11 on e-commerce.

7.137. E-Commerce was a powerful vehicle for inclusive trade and the achievement of their development goals. Digital trade was an effective tool for economic empowerment of women, youth and marginalized communities. Cross-border movement of goods, services and intangibles through ICT had created enormous opportunities for the promotion of inclusive growth in developing countries. The future was digital. Pakistan wanted it to be a common shared future and not a divided one like the past.

7.138. Like many other Members, Pakistan was also interested in future outcomes on e-commerce in the WTO with adequate consideration of the development needs of the developing Members and LDCs.

7.139. Pakistan welcomed the three proposals all of which suggested ways forward for e-commerce discussions beyond MC11. Even though different approaches had been proposed, all of them were principally suggesting further understanding and deepening of the discussions. Pakistan already believed in that approach and would be comfortable with any of the approaches suggested by the proponents. Those papers provided good options for Members. Pakistan also said that the General Council needed to galvanize discussions on e-commerce.

7.140. The representative of Norway said that times were rapidly changing. Digitalization was transforming societies and how they interacted in ways that few would have foreseen a few years before. Technological developments were transforming the global landscape into a digital trading landscape. Internet had enabled businesses of all sizes to reach new markets and new consumers around the world without setting up operations abroad. They had witnessed bundling of goods and services in both domestic and global value chains. Through the collection, transfer and processing of data, technology had opened doors for new business models and data driven services.

7.141. E-commerce was important not only for businesses and consumers but also for Members and governments. E-commerce came in many forms. It was to a varying degree a part of modern-day life for millions of people in all countries whether developed, developing or least-developed. The fundamental question Members should answer was whether dynamic and transformed landscape required updated global disciplines and new ways of dealing with trade-related issues. The WTO Membership should seize the opportunity and move ahead in the area of e-commerce.

7.142. E-commerce was not a new issue in the WTO. It was well within the scope of WTO rules including under the GATT, GATS, TRIPS and other WTO Agreements. When the WTO agreed on the Electronic Commerce Work Programme in 1998 nearly 20 years ago the organization had been at the forefront of development. The issues set out in the work programme remained pertinent but Members needed to work more systematically and holistically on the whole range of e-commerce related issues including the development dimension which was clearly cross-cutting. Capacity building, technical assistance, the exchange of good practices and cooperation with other international organizations would be necessary to bridge the digital divide.

7.143. To deal with all of those issues in a structured way, Members needed a dedicated forum. Discussions were taking place in several committees of the WTO to map the vast landscape of e-commerce issues. A number of Members had put forward submissions listing key issues and process-oriented questions. Time had come to look at the submissions that offered concrete solutions to specific issues. Electronic signatures, authentication and certificates that pertained to e-commerce for both goods and services were important building blocks to increase trust in the use of e-commerce and therefore a good starting point. Members should continue to work on those and other elements towards a substantive result in Buenos Aires.

7.144. As underlined in the recent submissions from Japan and Russia and in the comment paper submitted by Australia, Canada, Colombia, Qatar and Singapore, e-commerce was a cross-cutting issue. Members needed a more holistic approach than considering the bits and pieces in the respective committees in order to deal with the various aspects of e-commerce in a focused manner. They needed one locus for all of those discussions in order to facilitate a more comprehensive and interactive process.

7.145. Members should demonstrate the relevance of the WTO by changing gears in their discussions on e-commerce and by updating the rulebook when necessary. Norway saw MC11 as an opportunity to respond to modern-day challenges and to move that agenda forward hopefully with concrete deliverables but at the very least with greater clarity on their work post MC11 and a decision on the moratorium. The General Council should decide how to structure their debates in the run-up to MC11. Norway thanked the Chairman for his statement that day that he would consult on how best to organize work on e-commerce in preparation for MC11.

7.146. The digital trading landscape was rapidly developing. Members needed to decide whether they in the organization would collectively get behind the steering wheel or render themselves superfluous as the framework for e-commerce further developed either inside or outside the WTO.

7.147. The representative of Switzerland noted that discussions on e-commerce had gained new interest over the past year and was happy for such development. The implications of digitalization of economy on international trade were complex and if Members wanted to model appropriate global governance in that area, it would be important to improve their knowledge on those matters while thinking at the same time about the responses they could give to the issue.

7.148. Despite the new interest for the subject, the structure of the discussions on e-commerce could be improved. The proposals by Members were currently looked into in different bodies of the WTO. Discussions should be diluted. The General Council was furthermore not the appropriate forum for technical discussions on the cross-cutting issues pertaining to e-commerce.

7.149. Switzerland welcomed the different proposals currently on the table. Those would better define the next stages of the Work Programme on Electronic Commerce. They were complementary proposals offering good basis to prepare concrete decisions on the way Members could treat electronic commerce in the organization.

7.150. Switzerland would want to move on to a more structured discussion as of MC11. Preparations should start very soon so that their Ministers could define the objectives and the modalities for the work which they would be undertaking after MC11.

7.151. His delegation was aware of the importance of the development dimension in the discussions on the creation of an enabling environment for electronic commerce. That dimension should therefore be taken on board in their future work.

7.152. Switzerland wanted the discussions in the organization to take place in a serene fashion in full respect of the concerns and wishes expressed by all Members.

7.153. The representative of the Plurinational State of Bolivia had taken note of the three proposals submitted and the statements of the majority of the co-sponsors and other Members. There were various perspectives in analysing the issue, and Bolivia conveyed its preliminary reaction on the matter.

7.154. E-Commerce was important for everyone including Bolivia. The issue rested on what kind of rules Members needed to develop. Bolivia had participated in a series of events not only in the WTO but also in UNCTAD, the ECOSOC Committee on Science and Technology and others and had found that e-commerce worked well given that around ten firms made hundreds of millions of dollars with e-commerce in the last five years. This made Bolivia wonder why Members wanted to have rules in that area if everything worked well. He wondered whether they wanted to have anti-trust rules or rules to promote development. On its part, Bolivia still had no answers to those questions but was working internally on them.

7.155. Developing its ability to use electronic commerce was of the utmost importance for Bolivia. In fact, it was trying to develop and implement policies that privileged the use of electronic media not only in electronic commerce but also in e-governance and in privacy and connectivity issues. E-Commerce was therefore important for Bolivia.

7.156. His delegation however had doubts about whether the proposals presented to date met its needs. They assumed that all Members were in the same situation and level of development. That was a mistake which raised doubts about the implications of the proposals on its regulatory processes.

7.157. In relation to the Work Programme, the discussions that had taken place in that context had not been exhaustive. Many of the proposals presented so far had been general and had been circulated in the relevant Councils and Committees generally unchanged resulting in the debate that they were currently having. A more focused discussion with specific proposals in the respective Committees and Councils would be useful before moving to the creation of working groups or any format that deviated from the mandate of the Work Programme.

7.158. Concerning the substance of e-commerce discussions, the phrase "multilateral trade relations in matters dealt with under the agreements" enshrined in Article III.2 of the Marrakesh Agreement and in relation to the Work Programme should be analysed more in-depth. Members should also discuss in greater depth elements foreseen in the Work Programme such as its services component and its relation to the legal framework of the GATS. They should verify whether the list of topics indicated in the Work Programme had already been discussed.

7.159. With regard to the CTD, they should analyse the consequences of e-commerce for development taking into account the economic, financial and development needs of developing Members. They should also identify whether issues fell outside the WTO's competence such as cyber security, privacy, free flow of data and spam among others and whether those issues could be better addressed in other organizations such as the ITU or the mechanisms set up by the UN.

7.160. Bolivia disagreed with the idea that there had been twenty years of debate on e-commerce. It was an imprecise statement. There had been an important debate during the first two years after the adoption of the 1998 Work Programme and then there had been no substantive discussions until 2016, when several proposals had been made.

7.161. One of the elements lacking in the proposals and in the debate to date had been development. In fact, one of the thematic seminars had not pushed through as some Members had tried to introduce development issues. Bolivia had the impression that some Members believed that mention of MSMEs had already included the issue of development. That was not a correct approximation of the matter. MSMEs were important for Bolivia as they supported the creation of about 60% of the jobs in the country. His delegation simply had doubts on whether Members had the same concept of what constituted MSMEs and whether their discussions included all of them.

7.162. Given the current situation, it would be too early to move to the creation of a specific Working Group which would require careful evaluation by all Members. Bolivia rather favoured a focused debate with more specific proposals done within the framework of the Work Programme. His delegation also supported the idea of the Chairman holding consultations to better analyse the issue in the lead up to MC11.

7.163. The representative of Rwanda, on behalf of the African Group, said that Members were only currently beginning to understand the currency of the digital economy – data. In building the "Africa We Want", the African Group recognized the opportunities and benefits of digital solutions.

7.164. It was estimated that the market size of the digital economy was 22.5 trillion USD. Of that, around 21 trillion USD was domestic e-commerce and only 1.6 trillion USD was international cross-border e-commerce. It was also estimated that in 2015, the highest share of cross-border e-commerce sales had been in Asia-Pacific (51%), followed by Europe (24%) and North America (23%). Latin America had accounted for 1%.

7.165. On the other hand, the African Continent with 54 sovereign States could not be aggregated alone. It had to be juxtaposed with another transcontinental region – the Middle East. The Middle East and Africa had accounted for 1%.

7.166. If those figures approximated reality, they underscored two fundamental issues that prevented the collective attainment of gains in that area for developing countries and LDCs – the scope and depth of the digital divide and the major impediments and challenges due to the lack of digital capabilities and digital industrial policy.

7.167. The African Group duly acknowledged the profound challenges that had left most of Africa's people behind. It was regrettable that there had been no agreement to accept few minor refinements by some of the Members aimed at making meaningful the development agenda to the proposed seminar agenda on E-commerce in the Council for Trade in Services. It painted a very gloomy picture if developing and least-developed Members were denied an opportunity in a seminar under the Work Programme on Electronic Commerce to discuss relevant, development-related issues.

7.168. In order to fill the large knowledge gap by the membership, the African Group had organized a Panel Discussion on "Digital Industrial Policy" on 29 June in Room W and had invited all WTO Members. The Report of the Panel Discussion had been submitted to the General Council in the African Group Communication in JOB/GC/133. The Panel Discussion had been the first concrete step towards scoping the depth of the challenges facing developing countries, of the digital divide, particularly for countries who were striving to industrialize.

7.169. At that Panel Discussion, it had become apparent that as much as a digital transformation was underway, and that digital technologies and solutions were emerging, many of those would be seriously disruptive to economies around the world and they were still confronted by the reality of a deep, persistent and widening digital and technology divide. For instance, according to the ITU, more than half of the world's population was not using the internet – notably 75% of people in Africa.

7.170. They had learned that while Members' paths towards achieving global leadership in the digital economy had not all been the same, they required active policies and deliberate efforts to develop the necessary infrastructure and to manage digital flows for national digital catch-up. One lesson was that global integration needed to be preceded by building national capabilities through what had been termed as digital industrial policy. What had also emerged at the Panel Discussion was the importance of digital rights and how a balance should be sought on the international agenda on issues pertaining to electronic commerce and Internet governance.

7.171. On the proposals, the African Group thanked the proponents for the three new submissions on process-related issues and wished to inform that their Capitals were still assessing them and the African Group would revert at the next meeting.

7.172. The African Group reiterated its position and commitment to continue engaging in comprehensive discussions in the relevant bodies falling under the Work Programme. Over the last six months, the Group had requested the proponents to refine and discuss their proposals and to appropriately focus them specific to the body where they wanted discussions to take place as per the Work Programme to ensure a meaningful discussion.

7.173. The African Group's approach was guided by the search for answers to the following questions as it continued to engage under the Work Programme: "What is required to build the capabilities of developing and least developed countries so that they can be able to effectively participate in cross-border e-commerce? What specific government measures have been employed to support the development of e-commerce in other countries? What is the impact of e-commerce on Africa's longstanding developmental objectives of industrial development, structural

transformation and employment? What are the policy perspectives for promoting inclusive and equitable growth, trade and development in the digital economy?"

7.174. The representative of Barbados said that a number of the elements outlined in the proposal by Australia, Canada, Colombia, Qatar and Singapore in JOB/GC/132 was attractive and resonated with his delegation. Barbados therefore supported the proposal given its sponsorship of a process on how the Work Programme could better facilitate more focused discussions on e-commerce. As the co-sponsors had also indicated, such a discussion should however be without prejudice to Members' positions on substantive issues related to e-commerce and should not alter the underlying exploratory and development oriented nature of the Work Programme. That could put Members on the strategic path for deriving language which would co-facilitate a consensus decision on the Work Programme on Electronic Commerce.

7.175. The representative of Uganda thanked all the proponents for their submissions. The starting point was the 1998 Work Programme on Electronic Commerce that allowed Members sufficient space to have an extensive and exhaustive discussion on e-commerce. The work programme had no negotiating mandate. It was exploratory in nature. The work programme also provided for horizontal process to deal with two major items – the issue of the imposition of the customs duties on electronic transmissions and any trade-related issues of a cross-cutting nature. Uganda therefore looked forward to the Chairman's leadership in line with the 1998 Work Programme.

7.176. The e-commerce phenomenon in theory provided a critical gateway for consumers and businesses in weaker countries, allowing them to surmount obstacles faced when competing domestically and with enterprises and stronger players in the trading system. However, in reality, most LDCs faced a number of constraints due to insufficient basic infrastructure, access to electricity and the internet, the high cost of electricity, among others, and bottlenecks that hindered LDCs from taking advantage of opportunities theoretically available through the e-commerce platforms.

7.177. It was basic to know that for e-commerce to work one needed, *inter alia*, connectivity without which it would be a clear case of putting the cart before the horse. In Africa, for instance, 75% of the entire population was not on the internet. While more than 50% of the population in LDCs was covered by a mobile broadband signal, only 15% used the internet. In terms of individuals using the internet, only 15.2% in LDCs used it as opposed to 82.1% in the developed world; 25.1% in Africa as opposed to 79.1% in Europe; 65% in the Americas and 66% in the CIS. In terms of households with internet use, 11.1% in LDCs against 83.8% in the developed world. The digital divide was huge and there was therefore need to bridge it.

7.178. From the discussions that had ensued, including in the various seminars and in the regular bodies, it had also become apparent that there were Members including developing countries that had generated a lot of revenue from that enterprise. What had not been clearly spelled out was that kind of domestic regulatory policy framework that had been adopted by those countries especially the developing countries that had afforded their domestic industries the requisite policy space and protection to grow and thrive until such a time that they had become strong, emerging and dominant players. It had been and continued to be necessary for Uganda to request that major players shared their experience on the kind of digital industrial policies that they put in place that had *inter alia* helped guarantee their digital rights and ensured their current prosperity.

7.179. UNCTAD estimated that the size of the digital economy was around 32% of the global economy amounting to around 23 trillion. Around 21 trillion was estimated to be domestic e-commerce while around 1.6 trillion was estimated to be the share of cross-border e-commerce. It was estimated that only six countries had captured more than 85% of the cross-border e-commerce market and only one of those was a developing country.

7.180. According to the Universal Parcel Services forecast between 2013 to 2020, while the annual growth rate of the global GDP would be 3.10%, retail would grow at 5.8% and domestic e-commerce by 16.5%. However, cross-border e-commerce would grow at a rate of 26.6%. A close analysis of those numbers would give one a sense as to why Members were eager to discipline that field while others were still catching up or even trying to ship their digital vision in the future.

7.181. It was upon that background therefore that it was with profound gratitude that Uganda expressed its appreciation to the African Group for the panel discussion that had been organized on 29 June on digital industrial policy and development in JOB/GC/133. For the first time in the organization, Members had been presented with an alternative narrative which had basically been a reality on e-commerce – that the benefits were not self-imposing nor were they automatic; that countries had to undertake deliberate measures with the view to ensure and guarantee that there was a trickle-down effect of those benefits to the masses and to enable catch-up.

7.182. The following had been Uganda's takeaway points from that panel discussion: The digital divide was huge between developed, developing and least-developed countries. If that was not addressed, it would create even bigger future divide – income, workforce skills, infrastructure, etc. between those who had and those who did not. Inequality would increase and most of Africa would be left behind because multilateral rules would entrench those imbalances. The existing global e-commerce space was extremely asymmetrical and the gains were not shared equitably. Data was a new raw material of the future. The way Members would treat, manage and/or export data would determine which development path a country or members of countries would take in the digital age. There was not a single prescriptive, theoretical policy or regulatory approach that could be a recipe for success but that Members had used the policy space to nurture and develop their domestic industries. While development could mean different things to different Members, the implications of the fourth industrial revolution would be far-reaching. It was therefore important for Members to think about and develop digital industrial policies.

7.183. With regard to how Members would advance with work on those important issues, Uganda had previously stated that most of the submissions on the table fell outside the scope and mandate of the work programme. In all fairness, his delegation had not heard an in-depth engagement on many of the submissions that had been made. That was not necessarily because of the issue of mandate because the Work Programme of 1998 was very clear. It ought to be acknowledged however that on many of the proposals they had heard extremely limited engagement due in part to the reluctance of the proponents.

7.184. Uganda expressed its profound appreciation to delegations that had been most helpful in sharing their national experiences. His delegation applauded them and requested for that to continue and for that to be a best practice to others.

7.185. In terms of approach, Uganda therefore suggested that Members should narrow their submissions to issues specific to each particular body. That would enable a more focused discussion to take place. In the event that that would not be possible, focus should then be on the development-related aspects of the Work Programme with the view to considering the examination of improved access to infrastructure, the transfer of technology, the movement of natural persons and the use information technology in the integration of developing countries. Those were the issues at the heart of the digital divide that should be resolved with a view to building their e-commerce readiness.

7.186. Uganda therefore looked forward to engaging on the basis of the 1998 Work Programme with the view to an enhanced and focused discussion on the basis of Members' proposals in line with the Marrakesh Agreement.

7.187. The representative of Brazil welcomed the contributions of Singapore coordinating a group of co-sponsors and those by the Russian Federation and Japan. As Brazil had stated in the 25 July Informal HODs Meeting, those proposals had the common merit of focusing on process and on the possible way forward post MC11. Those were the immediate challenges Members should prioritize in the run up to MC11. In particular, the proposal to establish a horizontal Working Group on Electronic Commerce seemed to deserve careful consideration.

7.188. Brazil looked forward to the Chairman's consultations after the summer break and would engage in them. A core element was the need of a clear locus for their discussions. Brazil favoured solutions that would enable the Membership to hold more focused discussions on e-commerce without prejudging any possible outcome. Brazil had taken a very good note of the recent submission by the African Group which had once more reminded Members of the centrality of the development perspective in their deliberations on e-commerce.

7.189. The representative of Nigeria said that e-commerce was a powerful engine for inclusive growth, modernization and development. There were challenges comprehensively described in the Panel Report that had been circulated by Rwanda on behalf of the African Group. Their positions in the African Group were evolving. There were differences, but that was normal. He believed that they were evolving positively, gradually.

7.190. Regardless of the differences, they had agreed on the vital importance of the centrality of the development dimension that e-commerce should represent. There were macro challenges in the aggregated numbers but there were also good stories at the micro level – also in Africa. Kenya, Rwanda and Nigeria were setting great examples on the continent on the digital economy and e-commerce in particular. It was also true that there was no automaticity – no silver bullet. For any policy to work, it would require companion policies.

7.191. In that context, the more open one was to e-commerce, the greater the flow of investments for addressing the challenges. The real challenge of the digital divide was itself the opportunity presented by e-commerce and the facilitation of investment for inclusive trade and development.

7.192. Nigeria underscored the statement made by Singapore on behalf of the co-sponsors of JOB/GC/132. A clear direction should be established for future work, including a horizontal process under the General Council in the lead up to MC11 for a Decision. Nigeria welcomed the paper by the Russian Federation on the idea of a Working Group. The paper by Japan was also a useful contribution.

7.193. Nigeria drew attention to the useful work by the FEDs. As part of the FEDs, Nigeria invited Members to join the e-dialogue series. His delegation acknowledged and respected the differences in positions and hoped that their discussions would evolve positively and rapidly towards convergence. Finally, Nigeria highlighted that e-commerce was an area where it was moving very aggressively, ambitiously and domestically through the "Smart Nigeria Digital Economy Project".

7.194. The representative of Turkey noted that the world of digital economy in general, and e-commerce or digital trade in particular, as a technology-driven field, evolved rapidly. Developing international rules and disciplines, on the other hand, naturally took time.

7.195. At the WTO, Members were faced with the dilemma of being left behind by the progress registered in digital economy. If they did not act quickly, technological advances would dictate de facto rules by providing their own requirements which would not serve their policy objectives. That was not an ideal scenario. On the other hand, as a growing mode of supply of goods and services worldwide, e-commerce had a balancing effect on the competition among the big and small players. It also served as leverage for small players to integrate into the global economy and contribute to growth.

7.196. Members should discuss the issue of e-commerce to enable inclusiveness by keeping in mind the development perspective and by paying special attention to investment needs and connectivity problems of LDCs and some developing Members. Members' discussion at the WTO had concentrated on process and divisions of issues under different WTO bodies they thought were relevant. It was time they officially recognized the cross-cutting nature of e-commerce. Turkey hoped that a solid deliverable could come out of MC11 on e-commerce. His delegation therefore supported the idea of adopting a mandate at MC11 that would guide them into the right direction and that would facilitate a holistic and forward thinking discussion of e-commerce.

7.197. In that regard, Turkey welcomed the three submissions. Japan's and other Members' papers had strong merit. His delegation furthermore supported the main idea embedded in the Russian proposal that the General Council should take the lead on the issue and a Working Party under the General Council should be established. Turkey looked forward to positively engaging in discussions in that area in the lead up to MC11 and on the subsequent substantive discussions after the Ministerial Conference.

7.198. The representative of South Africa associated with the statement made by the African Group. At no point had any Member disputed the importance of e-commerce. In fact, all Members were aware of the opportunities that e-commerce could bring and how dividends in that form of

commerce could promote inclusive growth and sustainable development. They were also aware that reaping those dividends were embedded in industrial policy tools that could nurture and support the digital economy.

7.199. South Africa thanked the African Group for the Panel Discussion Report in JOB/GC/133 which had been the first concrete step in scoping the depth of the digital divide. At that discussion, it had also been recognized that there was potential in establishing strong linkages between industrial policy, ICT-related infrastructure and skills development that supported the digital economy.

7.200. South Africa thanked the proponents for their new submissions and agreed that it could be possible to agree to continue exploratory discussions under the comprehensive, non-negotiating framework set out in the 1998 Work Programme on Electronic Commerce.

7.201. The discussions Members had had in the WTO under the Work Programme had been a useful one. They had all learned about how e-commerce worked but it had become very clear that most of them were still coming to grips with what appeared would be very profound changes brought on by the digital transformation of which e-commerce was integral. What was even clearer was that e-commerce was developing rapidly but unevenly across the world.

7.202. South Africa had found the current discussions in the relevant bodies somewhat difficult mainly because proponents who asserted that e-commerce would support inclusive development were unable to answer questions about how rules would help them overcome the fundamental difficulties they faced.

7.203. For South Africa, the most critical issues for discussion included: the scope and depth of the digital divide; the highly concentrated nature of e-commerce and the measures that needed to be taken to address tax avoidance, market concentration and anti-competitive practices.

7.204. There were also several unresolved, more technical issues in the relevant bodies. Those included properly defining terms such "digital trade", "digital economy" and "digital product". Those terms were used interchangeably with the term "e-commerce" by some Members. Her delegation asked what they meant and how they related to e-commerce; what "digital", "digitized", "digitizable" products meant; whether digital products were more akin to goods or services; how "new services" should be classified; and whether online service delivery fell under Mode 1 or Mode 2.

7.205. South Africa was prepared to have a more focused dialogue, particularly with the overarching objective of understanding the specific government measures that Members had taken to support the development of e-commerce in their countries, in addressing the digital and technological divide, in building national capabilities and in addressing the unresolved issues.

7.206. South Africa would not be able to agree to any kind of outcome at MC11 that would prejudge a future decision and timing for rule-making or to begin negotiations. Its assessment was that any suggestion for multilateral rule-making was premature and would not obtain consensus.

7.207. The representative of India welcomed discussions on e-commerce within the existing framework of the 1998 Work Programme which was a non-negotiating and an exploratory one. He underscored India's views both on the substance and the process of ongoing work and discussions.

7.208. While e-commerce presented opportunities to economic growth and development, it was also widely acknowledged that both the transformation and the growth on e-commerce across the world was hugely uneven which was the result of a deep and wide global digital divide on infrastructure, skills and technology. The priority for Members therefore should be to expand the internet and bridge the digital divide on infrastructure and connectivity.

7.209. This was especially critical as only one in three people in India, one in four persons in Africa and one in seven in LDCs currently had access to the internet – leaving aside high speed broadband required for accessing e-trade platforms and services. Access to the internet was therefore a major issue that needed to be addressed urgently. Unless that was done, the asymmetry of information that the digital divide was creating would transform into an asymmetry

of opportunity against the interests of the developing world.

7.210. In the current exploratory phase of the Work Programme, emphasis should be laid on the need to understand the full scope and dimension of the various issues involved and address the knowledge gap which existed in the area. Scoping of the digital divide was important for all developing countries to understand the impact of the radical, destructive and transformative technological changes and the impact on growth of developing countries.

7.211. The important issues which Members needed to discuss and understand included access to technology, skill development, impact of automation in developing countries particularly unemployment and inequality between and within countries. There was also a need to address what could be done about that and the necessity for technology transfer arrangements and strategies to deal with the digital divide. In other words, the development dimension and concerns of developing countries and LDCs should remain central to the discussions on e-commerce in accordance with the letter and the spirit of the WTO Work Programme.

7.212. India understood that some Members were keen to begin to identify issues for multilateral rule making on e-commerce. In that regard, its considered view was that the gains for e-commerce should not be confused with the likely benefits of rule-making in e-commerce. While his delegation had seen the benefits of e-commerce both on goods trade on electronic platforms, convenient delivery of services and the support and its growth and benefits that it brought to consumers, negotiation on rules and disciplines in e-commerce would be highly premature at that stage especially given the highly asymmetrical nature of the existing global e-commerce space.

7.213. Members were witnessing a phenomenal growth of e-commerce and a paradigm shift in the pattern of trade to one which was highly digitized. The communication from Japan also emphasized the transformational impact of electronic commerce on global trade and investment. That changing trade pattern posed new challenges both for domestic and for cross-border trade.

7.214. The need of the hour according to India was therefore sufficient policy space for appropriate domestic and trade policies. Members needed to therefore focus on exchange of information on the policies and best practices around the globe. That was important not just for cross-border data transfer but on all aspects of e-commerce and digital trade especially on transfer of technology and support to the development of digital infrastructure to reduce the divide.

7.215. As regards the process, the Nairobi Ministerial Decision on Electronic Commerce had decided to continue work on electronic commerce based on the existing mandate and guidelines and on the basis of proposals submitted by Members in the relevant WTO bodies as set out in paragraphs 2 to 5 of the Work Programme. India saw merit in that bottom up approach for productive discussions and remained open to any exploratory discussion in the relevant WTO bodies as per the existing mandate.

7.216. India had noted that the latest Russian proposal had proposed the establishment of a horizontal working group on electronic commerce whereas the proposal from Australia, Canada, Colombia, Qatar and Singapore had suggested improvements in processes without going into details. While his delegation was open to discussing all possible suggestions aimed at improving the existing processes, India would not agree to any approach that would take away the role of the relevant bodies in discussing e-commerce led issues as per the Work Programme which had been reiterated in successive Ministerial decisions.

7.217. Pursuant to the 1998 Work Programme which identified the needs for specific WTO bodies to deal with e-commerce issues that fell within that specific mandate, the various bodies had in fact highlighted additional issues which continued to remain relevant and required deliberation. That remained an unfinished agenda and Members should all endeavour to expedite their deliberations on those issues.

7.218. India looked forward to constructively engaging in the discussions on e-commerce as mandated in the Work Programme.

7.219. The representative of the Bolivarian Republic of Venezuela noted that Venezuela was giving attention to that issue. Within the framework of the Bolivarian Economic Agenda currently

under way fifteen engines for the promotion of its economy had been identified – one of which was related to telecommunications and information technology where mechanisms to promote that sector of the economy had been articulated with the Chamber of Electronic Commerce of Venezuela.

7.220. To date, Venezuela had demonstrated achievements in banking, entertainment (television) and journalism services. The issue should however be analysed with caution with regard to the exchange of goods. It was becoming more and more constant to see the sale of various new or used products thereby creating a perception of the growth of electronic commerce. However, there were cases of digital fraud with tax evasion.

7.221. While e-commerce could be an instrument to support entrepreneurship and productivity, it was necessary to lay the foundations for capacity building. Venezuela understood that it could not stay in the "saga". They currently however had more questions than answers.

7.222. Venezuela appreciated the three proposals that were presented that day which would help in its analytical process. They had been sent to the capital and Venezuela reserved the right to return to them in the future.

7.223. Venezuela was currently not in a position to start negotiations. At the moment, Members needed greater understanding of the subject, exchange of experiences, transfer of technology and capacity building.

7.224. The representative of Cameroon said that the Work Programme had shown that Members had some interest in discussing what was at stake with electronic commerce, which was in fact very positive. This was because electronic commerce was of interest to Members, including Cameroon.

7.225. It would seem that most Members who currently had comparative advantage were trying to obtain rules at all costs – to develop trade and speed up processes in developing countries. Cameroon encountered several problems in that regard.

7.226. Members did not have good knowledge of the level of subsidies that enterprises benefited from who were currently competitive. They would need such figures. The accountability was very important because in the past, countries who subsidized their production or even their exports and had given them an artificial comparative advantage had obtained the right to either continue to subsidize or to limit the capacity to subsidize for others. That was quite a worrying scenario which was actually appearing on the horizon at the moment.

7.227. Someone had mentioned progress in Africa in the digital area. That progress was stated eloquently but he did not want to get over rejoiced on the current share of African trade. It did not even reach 1% of global trade. He had also heard mention made of the aid given to developing countries to move out of the digital divide. He would like to have a better idea of the bill of that divide – its cost in particular. Members had the digital divide taking the form of absolute digital abyss. He thought Uganda had spoken at length on that, and he would not come back to it.

7.228. Determining the adaptability of WTO rules to e-commerce had still not been carried out. He wondered how the WTO rules would be affected by the fourth industrial revolution – the digital revolution. South Africa drew up some elements for them and he wished to invite Members to look into that more. The fourth industrial revolution was progressing at an exponential speed. That revolution was upsetting nearly everything in all industries in every country. The depth and extent of that upheaval effected total change in the management and governance systems throughout the world. The WTO should therefore carry out an adaptability test.

7.229. The WTO had not sufficiently taken stock of the situation in that area. The proponents had still not answered the many questions that had remained in abeyance. Rwanda, on behalf of the African Group, had shown the reality of the digital divide. Cameroon would like to support an approach which would guarantee shared benefits. In the bible, everything was possible. Water could come out of a rock which had eventually been shared. In the bible, water was transformed into wine which everybody could drink. The same bible indicated that there was no point in putting new wine in old bottles. Members should not run the risk of losing both the bottles and the wine.

7.230. Cameroon requested that Members' work continued serenely following the mandate. Members needed to update their knowledge first to better understand exactly where they stood. They should go into in-depth discussions in the different bodies which currently remained very limited. If they were guided by the substance of the mandate which had been entrusted to the Members by the Ministers, they would achieve better results.

7.231. The representative of Chad associated with the statement made by the African Group. E-commerce posed more problems than it gave clear answers given the complexity of the subject. Apart from infrastructure, far more was necessary for Members such as Chad to really benefit from e-commerce. The challenges on the digital economy were huge. Members had to make choices according to their urgent priorities.

7.232. Given that many were lagging behind and given the presence of the digital divide and the major obstacles faced by a number of Members, such as the extremely weak internet connectivity in Africa, it would be relevant and wise for Members to focus on those different aspects. That would enable them to have the appropriate capacity to participate in the international e-commerce market. If they did not respond beforehand effectively and efficiently to the major concerns of Members whose economies were the most vulnerable, e-commerce would simply increase the deterioration of their fragile economic situation.

7.233. While it was true that e-commerce was expanding and had an incredible growth potential, it was often left in the hands of big groups and shareholders who left practically nothing for their countries. Members should ensure that those big groups and multinationals contributed in a substantial manner to the development of their countries by investing in capacity building and infrastructure and by setting up financial mechanisms to achieve that objective.

7.234. Access to the digital resources created by countries to set up development projects was also necessary as such resources often went elsewhere due to lack of mastery of those digital tools. If Members would use e-commerce as an important lever for development, they should master the digital tool and have the necessary infrastructure. Chad hoped that the discussions that had started at the WTO on e-commerce would enable Members to find appropriate responses to the issues that had been raised particularly for the benefit of the most vulnerable among them.

7.235. The representative of the Republic of Moldova noted that her delegation had given a lot of attention to the needs and priorities of some LDCs regarding digital trade and e-commerce. Moldova reiterated its readiness to work with all Members interested on having a dialogue and an exploratory discussion on e-commerce and on the benefits and gains that could be derived from this area.

7.236. Moldova had already provided certain assistance to some African Members. In particular, the Moldovan Governance Centre had hosted a delegation from the National Information Technology Authority from Uganda eight months prior. The bench-making visit had been organized by the World Bank and the E-Governance Centre of Moldova as part of a knowledge exchange programme between the institutions from Moldova and Uganda. Moldova was pleased to see the interest from Uganda on the implementation of all the elements of the shared government platform including e-payment gateway platforms and e-services.

7.237. Following the good result obtained in its process of e-transformation, Moldova stood ready to share its experience to Members to allow them to move faster in that area and to help them avoid making the same mistake that Moldova had made in the past.

7.238. The representative of Japan was impressed and encouraged by the fact that so many Members had taken the floor and had expressed their views and positions on e-commerce. Almost all Members had emphasized the importance of e-commerce. He felt that there was a shared sense of urgency that Members needed to tackle or discuss the issue. He recognized that there was consensus that the 1998 Work Programme remained valid and was convinced that Members needed more constructive discussions on the issue.

7.239. According to the 1998 Work Programme, Members were to examine all trade-related issues relating to global electronic commerce and to report on the progress of the Work Programme with any recommendation for action. Japan understood that the phrase "any

recommendation for action" did not preclude initiating negotiations. He did not however want to prejudge the outcome of the evaluation that his delegation was proposing.

7.240. Many Members – developing Members in particular – had emphasized the importance and the problem of the digital divide in relation to infrastructure and connectivity. Japan was fully aware of that. The WTO alone could not handle that issue but Members could try to explore what the WTO could contribute in that area. For example, most of the telecom infrastructures in the world were built by private investment. Members needed to attract and encourage investors by creating a sound business environment. WTO disciplines and instruments such as the Telecom Reference Paper would help in that regard. That was one way that the WTO could contribute to deal with the digital divide.

7.241. Japan stressed that it was time to start substantive discussions on a possible Ministerial Declaration on E-Commerce and expected the Chairman's leadership in that regard.

7.242. The representative of Cameroon agreed with a number of points raised by Japan and highlighted the role of the WTO and digital industrial policies. Reference to telecommunications made him think about Cameroon's case. Cameroon had a regulatory environment which was completely open. It did not however have the number of investors that it would have liked. Specific policies had therefore been put into place for those sectors to take off.

7.243. The Government of Cameroon had had to implement measures that respected WTO rules which prohibited local content requirements. This sometimes meant that some of its sectors would not be able to take off. Because of those constraints, Cameroon had experienced difficulties. To address the issue, his government had allowed some companies to enjoy a situation resembling a duopoly which had allowed them to develop infrastructure for approximately twenty years, before opening up the market to others. They had profited from that situation allowing Cameroon to create a favourable environment with appropriate infrastructure. The policy then moved forward. This would not have been possible if Cameroon had been constrained by rules.

7.244. For developing Members, aid for trade on a digital level would only be marginal. They could not just thank those who provided aid. The disbursements and promises that had been made did not always address their real needs. That was why he had talked about the breakdown of the bill.

7.245. Investors pursued a business-based logic – one of profit. Countries could not wait for companies to figure out whether profit was possible in their territory before they developed a sector which could leave some countries behind. If Members wanted to discuss rules then they should keep in mind that all those who had been able to develop their sectors had done so using support policies from the government providing comparative advantage to some.

7.246. When drawing up those rules, Members should take into account what those companies had received as subsidies and to take stock of that so that it would be clear and fair. Historic support should correspond to future support. Those who had already benefitted from support from the past at a certain level should accept that others should be accorded the same level of support for the future.

7.247. The representative of Rwanda recognized the importance of digital economy and its associated e-commerce. Rwanda was trying to build ICT infrastructure and to develop multiple e-solutions. They were building many e-solutions across the entire economy. They had e-government, e-health, e-market and drones distributing blood across the remote medical centres. They were trying to start developing e-commerce which was currently quite modest.

7.248. Rwanda recognized two challenges in that area: the digital divide and the lack of digital industrial policy. Nigeria was included among countries facing those challenges. Members should not limit the e-commerce ecosystem to selling and buying online. That was not e-commerce. There were many other parameters behind that apparent ecosystem. Those who owned and could process data and those who managed the big data and artificial intelligence were the most blessed to benefit more. That was why the e-market was concentrated. There were very few companies worldwide competing among themselves and the rest was out of the competition.

7.249. Beyond the digital divide, it would be essential to determine the digital industrial policies

they would need and the environment, culture, language and others that would be necessary to build digital companies that could compete. Even in the most connected continents, one would not see any digital company that competed with the four worldwide leading companies in the area. Members should therefore work together to understand all of those challenges under the Work Programme. They could discuss rules once the same knowledge had been shared because there were rules that could help catch up and rules that could exclude more.

7.250. The representative of Uganda thanked Moldova for highlighting a very good example of a partnership in terms of technical assistance and capacity building that had been extended to the National Information Technology Authority of Uganda, and also as part of the contribution to try to build e-commerce readiness. The contribution of the donor community to his country was extensive. In fact, if he had gone through the list of donors to his country, he could be accused of not having provided an exhaustive list.

7.251. Uganda was however trying to draw a distinction between the measures and/or mechanisms Members were trying to establish in their own countries to build a sense of vision in that particular area. Uganda had established national backbone infrastructure, fibre optics and all kinds of ICT tools and instruments. His delegation questioned whether it was sufficient to argue that because it already had those frameworks in place, the situation could already be considered mature enough for Uganda to have disciplines on that area.

7.252. He also drew Members' attention on the issue of what they were trying to commit themselves to on e-commerce and what matters they were asked to debate upon. In the history of development, multilateral rules had never come before the formative stages of development. Most of the major and rich countries had even had a very methodical, reluctant approach to disciplining themselves in a multilateral framework before they had advanced various levels of development.

7.253. The e-commerce ecosystem was a good example. That was what he was talking about and why he was requesting Members to share their own experiences. It was part of what informed the panel discussion of the African Group on digital industrial policies. Uganda therefore invited Members to have a deeper reflection on the issue. His delegation encouraged the work in the regular bodies because those were the bodies competent to deal with the specific areas of that notion of electronic commerce.

7.254. In terms of ICT exports, as had been seen from UNCTAD for 2015, out of 1.9 trillion USD of ICT world exports, Africa had only contributed 3.8 billion. Uganda had found itself somewhere with 32 million dollars but had imported 289 million dollars. Uganda therefore had a long way to go. His country should first deal with building its capacity, understanding the concept and generating the content. There was a spectrum of things that it needed to do. It did not have the sufficient funds to do it. But there was already the sense of urgency from others to have rules.

7.255. Uganda had many things to do domestically and needed to take time like what other countries had done to develop sufficient capacity. Multilateral rules could then be had.

7.256. The General Council took note of the statements.

8 TRADE RESTRICTIVE MEASURES BY CERTAIN MEMBERS – STATEMENT BY QATAR

8.1. The Chairman recalled that on 13 July Qatar had requested in writing to the Secretariat that that item be included in the agenda of the meeting. He invited Qatar to take the floor.

8.2. The representative of Qatar expressed his country's on-going concern regarding the severe and unwarranted trade restrictions that had been maintained against Qatar by Saudi Arabia, the United Arab Emirates and Bahrain since early June 2017.

8.3. Qatar had already highlighted in the respective Services and Goods Councils the specific concerns relating to the impact of those measures on services and goods trade. Without re-stating each of the points raised in those meetings, Qatar said that it was important to recall that the measures imposed clearly violated cornerstone WTO rules.

8.4. WTO rules for goods, services and intellectual property were based on principles of non-

discriminatory treatment but those measures targeted Qatar alone denying virtually all the benefits guaranteed by WTO Membership.

8.5. WTO rules including the new Trade Facilitation Agreement guaranteed freedom of transit, yet those measures denied freedom of transit to both Qatar and to third-country WTO Members seeking to ship to and receive goods from Qatar.

8.6. WTO rules and commitments allowed trade to be stopped only in limited circumstances and yet with a few exceptions that were commercially important for the countries concerned – almost all goods and services trade had been frustrated.

8.7. Rather than pursuing their objectives in a manner that was consistent with WTO rules, the measure imposed against by the three Members concerned constituted unilateral actions in gross disregard of its and other WTO Members' rights. The WTO illegal measures appeared calculated simply as a means of political coercion. Those actions were fundamentally at odds with the multilateral settlement of disputes. They represented an assault on the multilateral trading system itself. Those unannounced, unexpected and egregious actions and their course of purpose should be an alarm to all WTO Members.

8.8. The rights of many WTO Members in the room that day were being violated by that course of attempts at economic isolation. For example, worldwide purchases of essential petroleum and gas products originating in Qatar were experiencing transit delays along with increased costs of transit and insurance due to the denial of WTO-consistent free passage of goods to and from Qatar. Nor could third country WTO Members any longer enjoy the harmonized import conditions resulting from the Gulf Cooperation Council Customs Union and Single Market.

8.9. WTO Members should also be concerned that the measures at issue were being applied in a protectionist manner to secure commercial advantage for certain stakeholders. Certain commercial interests were able to secure exemptions to continue trade in areas deemed advantageous to local interests. Not surprisingly, those discriminatory market closing measures were creating opportunities for competing commercial interests from the Members concerned to seize market opportunities from incumbent Qatari companies.

8.10. As should be obvious to all concerned, the longer that the unprecedented situation remained in place, the greater the long-term damage to create an investment falling to and from the Gulf region. The situation indeed stroke at the very foundations of the multilateral trading system.

8.11. While enacted for the fulfilment of political objectives, the specific trade measures in place lied squarely within the purview of the organization. Qatar does not only have the right but as a Member of the multilateral trading system it could use it as an obligation to bring an issue of such magnitude to the attention of Members.

8.12. In concluding, he said that Qatar was a small nation but not one that would shy away from pursuing its rights and benefits as a Member of the organization. Qatar therefore reserved all of its rights under the WTO Agreements including under the dispute settlement understanding.

8.13. The representative of the Kingdom of Saudi Arabia, also on behalf of the United Arab Emirates, the Kingdom of Bahrain and Egypt, reiterated that those measures were fully consistent with their rights and obligations under the WTO Agreements. They regretted that Qatar had chosen to include that item on the agenda of the General Council. They believed that they had provided sufficient explanations in the previous meetings of the Council for Trade in Services and the Council for Trade in Goods. Moreover, they did not believe that the WTO was the appropriate forum to discuss that political matter.

8.14. The General Council took note of the statements.

9 ELEVENTH SESSION OF THE MINISTERIAL CONFERENCE

9.1 ELECTION OF OFFICERS

9.1. The Chairman recalled that Rule 12 of the Rules of Procedure for the Ministerial Conference

established that "During the course of each regular session a Chairperson and three Vice-Chairpersons shall be elected from among the Members. They shall hold office from the end of that session until the end of the next regular session." As delegations would recall, at its meeting on 18 May, the General Council had agreed that MC11 would be chaired by H.E. Minister Susana Malcorra of Argentina – the host country of MC11.

9.2. Regarding the three Vice-Chairs, in view of the fact that the Chair would come from Latin America and the Caribbean and in line with customary practice at that meeting he had invited the representatives of the other three broad groupings – i.e. Africa, Asia and the Pacific and developed countries – to consult with their constituents so that they could revert to that matter at the July Council meeting.

9.3. That had been followed by communications that he had sent to the group coordinators on 24 May and 28 June inviting them to inform him once their consultations had been concluded of the proposed Vice-Chairs for their respective groupings.

9.4. Following that process of consultations, he had then sent a communication to all delegations on 21 July informing all Members of the three names for appointment as Vice-Chairs. In that communication he had also proposed that if no objections had been received by 24 July close-of-business the General Council would elect the proposed Vice-Chairs at the meeting.

9.5. On the basis of that process and since no objections had been received, he was very pleased to propose that the General Council agreed to elect the following Vice-Chairs for MC11: H.E. Dr. Okechukwu Enelamah, Minister of Industry, Trade and Investment of Nigeria; H.E. Mr. Todd McClay, Minister of Trade of New Zealand and Mr. Edward Yau, Secretary for Commerce and Economic Development of Hong Kong, China.

9.6. The General Council so agreed.

9.2 ATTENDANCE OF OBSERVERS FROM INTERNATIONAL INTERGOVERNMENTAL ORGANIZATIONS

9.7. The Chairman recalled that past practice up to MC7 had been to invite those IGOs which had observer status in the previous Ministerial Conference to attend the next one. Delegations would also recall that for MC8, MC9 and MC10, consensus on repeating that practice could not be reached and as a result no IGOs had been invited to attend as observers to the last three sessions of the Ministerial Conference.

9.8. At the General Council meeting on 18 May, he had invited delegations who had wished to discuss that matter to consult with him particularly if there had been any new developments. Since then, he had reached out to a number of delegations and group coordinators to discuss the matter.

9.9. He also informed Members that a request to attend MC11 had been received from the League of Arab States on 10 July.

9.10. The feedback that he had received from his consultations was that the situation remained unchanged. While he was ready to continue consulting on the matter, he was fully aware of the difficulties in resolving the issue.

9.11. The General Council took note of the Chairman's statement.

9.3 REQUEST FOR OBSERVER STATUS BY PALESTINE (WT/L/1007)

9.12. The Chairman drew the General Council's attention to the request for Observer status at MC11 by Palestine circulated that week in document WT/L/1007. In accordance with the customary practice, he had undertaken consultations on that request and he was pleased to report that those consultations had been positive. Therefore, he would like to propose that the General Council agreed to grant Palestine Observer Status at MC11 on an ad hoc basis.

9.13. The General Council so agreed.

10 WAIVERS UNDER ARTICLE IX OF THE WTO AGREEMENT

10.1 REVIEW OF WAIVERS PURSUANT TO ARTICLE IX:4 OF THE WTO AGREEMENT

10.1.1 Least-Developed Country Members – Obligations under Article 70.8 and Article 70.9 of the TRIPS Agreement with respect to Pharmaceutical Products, granted on 30 November 2015 until 1 January 2033 (WT/L/971)

10.1.2 Preferential Treatment for Least-Developed Countries, granted on 27 May 2009 until 30 June 2019 (WT/L/759)

10.1.3 Canada – CARIBCAN, granted on 28 July 2015 until 31 December 2023 (WT/L/958, WT/L/1013)

10.1.4 United States – Caribbean Basin Economic Recovery Act, granted on 5 May 2015 until 31 December 2019 (WT/L/950, WT/L/1012)

10.1. The Chairman recalled that in accordance with paragraph 4 of Article IX of the WTO Agreement, "any waiver granted for a period of more than one year shall be reviewed by the Ministerial Conference not later than one year after it is granted, and thereafter annually until the waiver terminates."

10.2. There were four waivers before the General Council for review. Two of the waivers under review provided that an annual report should be submitted by the Member concerned regarding the operation or implementation of those waivers with a view to facilitating their annual review by the General Council. The reports from the United States and Canada had been circulated in documents WT/L/1012 and 1013, respectively.

10.3. The General Council took note of the reports contained in documents WT/L/1012 and 1013, and agreed to revert to the review of multi-year waivers under Article IX.4 of the WTO Agreement at its last regular meeting in 2017.

10.4. The representative of Barbados, on behalf of CARICOM, welcomed the reports before the Council on the CARIBCAN and the CBERA waivers which had been submitted by Canada and the United States respectively. CARICOM wished to signal that both CARIBCAN and CBERA continued to be of significant value to the trade and economic circumstances of the region. CARICOM therefore thanked both Canada and the United States for their continued partnership with the Caribbean Community.

10.5. The representative of Cambodia, on behalf of the LDCs, said that the 2015 decision to extend the LDC waiver until 2033 concerning the exclusive marketing rights for pharmaceuticals and the mailbox measure for receiving patents was imperative for LDCs and their quest to ensure the health and livelihood of their people. That was in relation to Articles 66.1 and 66.2 of the TRIPS Agreement. The LDCs sought the need for flexibility to allow them to create a viable technological base. Together with the extension of the pharmaceutical waiver also in 2015, the maintenance of that waiver was critical for all LDCs as they tried to develop their supply-side capacity, save the lives of their people, ensure access to medicine, reduce poverty and attain their shared goals of graduating from their LDC status. The LDCs therefore invited Members to provide the necessary technical assistance to promote the exchange of experience in accordance with Article 66.2 of the TRIPS Agreement to support the use of intellectual property as an instrument for promotion of sustainable development and inclusivity.

10.6. The representative of Haiti associated with the statements made by CARICOM and the LDCs. Haiti thanked the United States for its 2016 report on CARIBCAN. The stagnation of the exchange between the United States and the beneficiaries during the 2008-2016 period proved that preferences were being eroded which was worrying and should be addressed in a proactive fashion. Haiti thus thanked the United States for introducing the request aiming at suspending that derogation. Haiti would like the General Council to take note of the importance of the contribution of that derogation in the promotion of the economic development of Haiti and hoped to be able to pursue its projects of economic cooperation with the United States.

10.7. The General Council took note of the statements.

11 COMMITTEE ON BUDGET, FINANCE AND ADMINISTRATION – REPORT ON MEETINGS OF FEBRUARY, MAY, AND JUNE 2017 (WT/BFA/161, WT/BFA/163 AND WT/BFA/164/REV.1)

11.1. The Chairman drew attention to the reports of the Committee on Budget, Finance and Administration in documents WT/BFA/161, WT/BFA/162 and WT/BFA/164/Rev.1 and invited Mr. Peter Brňo (Slovak Republic), Chairman of the Committee, to introduce the reports.

11.2. Mr. Peter Brňo (Slovak Republic), Chairman of the CBFA, reported that the CBFA had met several times since the last General Council meeting. He would focus his report on the recommendations by the CBFA to the General Council from those meetings.

11.3. Regarding the 2016 Financial Performance Report and Audited Financial Statements, on 22 June the Committee had reviewed the WTO 2016 Financial Performance Report and the related report of the External Auditor on the 2016 WTO Financial Statements.

11.4. The budgetary expenditure had totalled CHF196.1 million relative to the budgeted revenue of CHF197.2 million. That had resulted in a budgetary surplus of CHF1.1 million. However, after effecting adjustments stipulated by the International Public Sector Accounting Standards (IPSAS), a financial deficit of CHF28.2 million had been reported.

11.5. The financial deficit for 2016 had been much higher than the CHF6 million financial deficit of 2015. That was explained by the following factors: a significant decrease of the discount rates used to calculate the Pension and After Service Health Insurance benefits; and a decreased amount of budgetary surplus to partially offset the negative impact of actuarial effects. In 2015, the budgetary surplus had been CHF6 Million versus the 2016 budgetary surplus of CHF1 million.

11.6. The Supreme Audit Institution of Germany, the External Auditor of the WTO, had made a presentation of the Audit Report for the 2016 Annual Financial Statements. The Committee had been informed that the audit had not revealed any significant weaknesses or errors considered material to the accuracy, completeness and validity of the financial statements of the WTO. The Auditor had concluded by expressing an unqualified opinion on the 2016 Financial Statements.

11.7. The External Auditor had also carried out performance audits of the WTO's policies relating to Confidentiality of Information, the Organization of Sessions of Ministerial Conferences and selected human resources activities. The WTO Secretariat had committed to assess those and to take most on board. The External Auditors would do a follow up of the implementation status in October.

11.8. In light of the above, the recommendation of the Committee regarding the 2016 Financial Performance Report and 2016 Audited Financial Statements was as followed:

"The Committee recommends that the General Council approve the transfers between budgetary sections as outlined in paragraphs 2.31 and 2.39 of document WT/BFA/W/419. The Committee further recommends that the General Council approve the 2016 WTO Audited Financial Statements."

11.9. Concerning the Review of the Adjustment of WTO Dependency Allowances, at the 22 June CBFA meeting, the Committee had also taken up the item concerning the Review of the Adjustment of the WTO Dependency Allowances. At that meeting, the Committee had considered the recommendation on that matter contained in paragraph 17 (ii) of WT/BFA/W/416/Rev.2.

11.10. That recommendation had been a result of an extensive process of consultations between the Secretariat and the Members. Given that one Member needed more time to consult with its capital on the matter the recommendation could not be adopted by the Committee at that meeting. Still, the report of the 22 June meeting had been circulated on 4 July in WT/BFA/164 and it had contained a reference to the recommendation on the Dependency Allowances.

11.11. Following further consultations, it had been ascertained that there was consensus on the

recommendation. The Committee had therefore circulated a revised document containing the result of the additional consultations on 14 July in document WT/BFA/W/Rev.3.

11.12. He had then convened a further meeting of the Committee on 18 July where the Committee had agreed to transmit to the General Council the following recommendation:

"The Committee on Budget, Finance and Administration recommends that, in view of staff regulation 6.5 and annex 2 of the WTO staff rules, the General Council:

recognizes that for the years 2011 to 2015 no provisional application of adjustments of the dependency allowances was made and no requests for adjustments of the dependency allowances for these years were presented by the Secretariat;

in this context recalls that staff hired before 1 January 2012 have benefited from a salary freeze since 2012;

approves adjustments to the dependency allowances as of 1 January 2016 and 1 January 2017 respectively, as reflected in the table on paragraph 4.14 of WT/BFA/164/Rev.1

hereby decides to close its consideration of the adjustment of the dependency allowances for the years 2011 to 2017."

11.13. That recommendation had subsequently been circulated to all delegations in document WT/BFA/164/Rev.1 and could be found in paragraph 4.14 of that document. He highlighted again that that recommendation was the result of an extensive process of consultations. He was happy to inform delegations of the consensus around it. The Budget Committee therefore proposed that that recommendation was put forward to the General Council for its consideration.

11.14. Regarding the request from the Republic of Guinea-Bissau for the Revision of their Payment Plan, during its meeting on 24 February, the CBFA had considered a request by the Republic of Guinea-Bissau to have its payment plan revised. In that regard, the Committee made the following recommendation:

"In accordance with the decision of the General Council of 15 November 2012, the Committee on Budget, Finance and Administration recommends that the General Council suspend the application of administrative measures for the Republic of Guinea-Bissau which agrees, and undertakes, to abide by a schedule of instalment payments aimed at liquidating all arrears over a period of 30 years. The payments must be received no later than 31 December of each year, failing which the administrative measures will be reinstated."

11.15. The Chairman said that the General Council had heard that the recommendations in WT/BFA/164/Rev.1 had been considered and had been agreed to by the Members in the Budget Committee on 18 July. Due to particular circumstances that had been explained by the Chair of the CBFA, he proposed that the General Council included that recommendation with the other recommendations that they were considering.

11.16. The General Council took note of the statements, approved the Budget Committee's specific recommendations in paragraphs 7.6 and 8.2 of WT/BFA/161 and paragraph 4.14 of WT/BFA/164/Rev.1 and adopted the reports in WT/BFA/161, WT/BFA/163 and WT/BFA/164/Rev.1.

12 WTO PENSION PLAN

12.1 Report by the Independent External Auditor on the Audit of the Financial Statements of the World Trade Organization Pension Plan for the Year ended 31 December 2016 (WT/L/1008)

12.2 Annual Report and Financial Statements for the Year ending 31 December 2016 (WT/L/1009)

12.3 Alignment of the WTO Pension Plan Regulations with the WTO's Policies Regarding the Definition of Spouse to Include Domestic Partnership (WT/L/1010)

12.1. The Chairman drew the Council's attention to the Annual Report and Financial Statements for 2016 contained in document WT/L/1009 which was submitted to the General Council in accordance with Article 5(d) of the Regulations of the WTO Pension Plan. He also drew attention to the Report of the Independent External Auditor on the Audit of the Financial Statements of the WTOPP in document WT/L/1008.

12.2. The Management Board had indicated that it was pleased to report a positive audit report with an unqualified opinion. In the area of investments, 2016 had been another good year for the WTO Pension Plan's investment portfolio. The Management Board's investment strategy had followed closely its benchmark and had delivered a real rate of return of 6.8%. That was 3.3% above the long-term target rate of return of 3.5% used in the actuarial assumptions of the Plan.

12.3. Concerning the Alignment of the WTO Pension Plan Regulations with the WTO's Policies Regarding the Definition of Spouse to Include Domestic Partnership circulated in WT/L/1010, a working group of the Management Board had met several times to carefully study the issue. As a result, the Management Board had agreed at its April 2017 meeting that the definition of "spouse" used by the Pension Plan should be aligned with that used by the WTO staff rules.

12.4. The General Council approved the WTOPP Management Board's specific recommendation in paragraph 5 of the WT/L/1010, and took note of the Annual Report of the Management Board and the Financial Statements for 2016 in document WT/L/1009, the Report of the Independent External Auditor on the Audit of the Financial Statements of the WTOPP in document WT/L/1008, and the Chairman's statement made on behalf of the Outgoing Chair of the WTOPP.

12.4 WTO Pension Plan Management Board - Election of Chairman, Members and Alternates (WT/GC/W/733)

12.5. The Chairman recalled that Article 4(a) of the Regulations of the WTO Pension Plan provided *inter alia* for the election by the General Council of a Chairperson, four members and four alternates to the Management Board of the WTO Pension Plan.

12.6. He recalled that consultations on a new Chair for the Pension Plan Management Board had started in 2016. The term of office of the current membership of the whole Management Board had then come up for renewal in May.

12.7. In that regard, on 9 June a fax had been sent to the Heads of Delegation inviting Members to communicate expressions of interest in serving on the Management Board by no later than 19 June. An overview of the role and functions of the Board had been attached to the fax.

12.8. He had asked Mr. Brño, Chair of the CBFA, to coordinate the process in a way that would ensure transparency and provide sufficient opportunities for consultations with Members interested in that process. He thanked Mr. Brño for his work and for effectively managing the process which appeared to have satisfied Members' expectations. The Management Board could build on the process that had just been undertaken to develop some guidelines to ensure that future processes were carried out with equal transparency and efficiency.

12.9. Mr. Brño had consulted with those individuals who had expressed interest in serving on the Board during the week of 19 June. On 22 June, he had provided an update on the process to the CBFA and had announced his availability to meet with Members wishing to further discuss the candidates or the election process on 7 July. Additionally, a fax had been sent to the Heads of Delegation on 3 July reiterating his availability for consultations up until 7 July.

12.10. Document WT/GC/W/733 described the overall process and listed the candidates identified as a result of the consultations. As of the deadline of 21 July he had received no comments or questions regarding the slate and therefore suggested that the candidates proposed in document WT/GC/W/733 be elected to the Management Board of the Pension Plan for a term of 3 years.

12.11. The General Council so agreed.⁹

12.12. The representative of Turkey thanked the Chairman for ensuring that the process was functional and transparent. Turkey expressed its appreciation for the due diligence shown in that process of designating the Members and the Chair of the Management Board and Alternates. His delegation therefore fully supported the proposal by the General Council. Turkey congratulated all Members and Alternates and wished them a successful and fruitful term.

12.13. The General Council took note of the statement.

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

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

13.2. Mr. Peter Brño (Slovak Republic), Chairman of the CBFA, reported that the Administrative Measures applicable to Members and Observers with arrears in contribution had been implemented since 1 March 2013. In accordance with the decision of the General Council, he should state all Members and Observers under all categories. As at 25 July 2017, there had been 17 Members and 2 Observers under Administrative Measures.

13.3. There were 8 Members under Category 1: Antigua and Barbuda; Democratic Republic of the Congo; Dominica; Guinea; Mozambique; Rwanda; Saint Vincent and the Grenadines and Uganda. There was 1 Member in Category II: Cameroon. There were 8 Members and 2 Observers in Category III: Burundi; Central African Republic; Djibouti; Guinea-Bissau; Mauritania; Niger; Sierra Leone; Bolivarian Republic of Venezuela; Libya (Observer) and Sao Tomé and Príncipe (Observer).

13.4. The Committee on Budget, Finance and Administration would review the situation on arrears from Members and Observers including those following a payment plan at its next meeting scheduled on 21 September and would subsequently provide a full report to General Council.

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

13.6. The General Council took note of the statement.

⁹ The decision was subsequently circulated in WT/L/1015.

ANNEX 1

REPORTS BY THE DIRECTOR-GENERAL, AS CHAIRMAN OF THE TNC, AND OF THE CHAIRS OF THE NEGOTIATING GROUPS AT THE INFORMAL TRADE NEGOTIATIONS COMMITTEE MEETING HELD ON 25 JULY 2017

Report by the Director-General as Chairman of the Trade Negotiations Committee

Let me start with a report on my own activities and consultations.¹

Over the past few months, I have visited a number of Capitals where I met with a broad range of stakeholders including leaders, government officials and the private sector. I was also invited to attend a number of Ministerial gatherings. I will give a fuller report on these activities in the HoDs meeting.

Throughout these exchanges, I stressed to ministers and leaders the importance of making progress on Doha issues – including at the forthcoming Ministerial Conference. I also highlighted the need for continued engagement at the ministerial level in order to ensure that we keep moving forward

I have also been pursuing consultations here in Geneva.

In June I met individually with the Chairs of the Negotiating Groups on Agriculture, Rules, Services, Development and NAMA to discuss their specific areas in greater detail. And yesterday Minister Malcorra and I – together with the Chair of the General Council – heard from all of the Chairs. This was a follow-up to the meeting we held on 24 April, in the same configuration. Again, the purpose was to collectively review the overall state of play in the negotiations and assess progress in each area.

I also met with the coordinators of the LDC, African and ACP Groups in June to discuss their priorities and concerns in light of MC11.

In addition, I was invited by the G-33 to participate in their workshop on 'Delivering Development in the 11th Ministerial Conference', with a focus on Public Stockholding for Food Security and the Special Safeguard Mechanism.

I think the session helped to further Members' understanding of their different positions and concerns. We clearly need keep work with greater urgency if we want to advance these issues, especially in view of the mandated timeline for public stockholding.

Indeed, I think greater urgency is required across the board, if we are to see progress. Nevertheless, we have seen a welcome increase in activity on the Doha issues in recent months.

Agriculture, Services and Rules have continued to be major areas where Members' attention has been focused – although I have been pleased to see increased activity in Development conversations as well in recent days.

In Agriculture, a total of 18 submissions have been tabled by Members since we last met, covering a range of agriculture issues. Last week alone, 8 submissions were tabled – mainly in the areas of domestic support, public stockholding and SSM.

This is a very impressive level of engagement.

We have also seen additional papers tabled in other areas, including on fisheries subsidies, anti-dumping and horizontal subsidies. And, more recently, papers have been put forward in areas where there had been less activity, such as NAMA and S&D.

The revised S&D proposal from the ACP, African and LDC Groups was introduced in the CTD SS last week. I am informed that this has already allowed discussions in the CTD SS to restart for the first time since Nairobi.

¹ The report was subsequently circulated in JOB/TNC/61.

It is very positive that Members have started to move to more detailed, text-based submissions and discussions. My hope is that this enhanced level of activity paves the way for a more focused process in the autumn. Wherever issues have reached the right level of maturity and specificity, Members should be moving into negotiating mode.

But, let me underline again that while this growing engagement is very welcome, the approaches and level of ambition amongst delegations vary widely. A great deal remains to be done before Buenos Aires.

When delegations return to Geneva in September, we will have just 14 weeks until the Ministerial Conference.

We need to increase the intensity of our work markedly if we are to make the progress that I think most Members want to see – including, crucially, steps on development and in support of LDCs.

The Chairs and I will continue in our roles of facilitating convergence, but proponents bear the responsibility of building momentum behind their ideas. So I encourage you to reflect about how you can achieve this.

And I encourage all delegations to use August to work with your Capitals to increase their engagement, and to see what may be possible.

We also need to be realistic in assessing what can be done by Buenos Aires and what could be further developed in the longer term. We must ensure that MC11 is a step forward for the multilateral trading system, in the interests of growth, development, job creation and living standards around the world.

As with Bali and Nairobi, it is essential that we do all we can to make Buenos Aires a success – and to ensure that it represents a strong platform for future work.

Reports by the Chairpersons of Negotiating Groups

1. Committee on Agriculture – Special Session²

Introduction

Following my appointment as Chairman of the Committee on Agriculture in Special Session on 26 April, I have held a series of 35 bilateral consultations with group representatives or coordinators, and individual delegations representing the whole Membership in its diversity.

I concluded this first phase by holding an informal open-ended meeting of the Committee on Agriculture in Special Session on 1 June followed by two dedicated sessions on Public Stockholding for Food Security Purposes (PSH) and the Special Safeguard Mechanism for Developing Countries (SSM).

I then moved to topic-based Room-E type consultations with the participation of approximately 30 delegations on all topics in which you have expressed an interest.

These topics are Public Stockholding for Food Security Purposes, Domestic Support, Special Safeguard Mechanism for developing country Members, Market Access, Export Restrictions and Other Issues, including Export Competition and Sanitary and Phytosanitary measures. Following the practice established by my predecessors, I also held consultations on Cotton in a Quad plus format.

It represented in total seven meetings.

² The report was subsequently circulated in JOB/AG/108.

This second phase concluded last week with the informal open-ended meeting of the Committee on Agriculture in Special Session held on 19 July followed by two dedicated sessions on Public Stockholding for Food Security Purposes (PSH) and the Special Safeguard Mechanism for Developing Countries (SSM) on 20 July.

Let me take this opportunity here to express all my gratitude to Ambassador Neple who accepted, as Friend of the Chair, to chair these meetings and read my reports to the Membership on the state of play of the negotiations on my behalf.

My report to the CoA-SS will be circulated soon as a JOB document.

For the sake of time, I am not going to repeat my full report here. Rather, I will briefly summarize my assessment of where the situation stands on each of the topics under consideration and conclude my report by some comments on the way forward.

My report today will incorporate elements from the discussions on 19 and 20 July as they were reported to me by Ambassador Neple and the Secretariat.

Substance

Public Stockholding for Food Security Purposes

Public stockholding remains clearly one of the priority issues. Two new proposals were submitted during the dedicated session on 20 July, one by Brazil, European Union, Colombia, Peru and Uruguay and one by the G33. The dedicated session was the first possibility to discuss these proposals, and most of the delegations took the floor to give their preliminary reactions. While the gaps between different positions remained broadly the same, the engagement was invigorated. Members have now some serious homework to do over the summer break and more indebt discussions will take place as from September.

Domestic Support

Domestic support is another topic that remains a priority issue for the vast majority of Members. Five new submissions were circulated ahead of the CoA-SS on 19 July, one of them as a proposal. The proposal by Brazil, European Union, Colombia, Peru and Uruguay suggests an overall limit as a percentage of the value of production. India and China put forward a submission suggesting the elimination of the AMS entitlement as a prior step to any domestic support reform. Other submissions stressed the advantages of a fixed overall limit over a floating one. The submissions received many preliminary reactions. Like in the case of public stockholding, Members will have a lot to think about over the summer break so as to facilitate more in-depth discussions just after.

Cotton

Most Members reiterated their support for a meaningful and specific outcome on Cotton Domestic Support, but a couple of participants recorded their lack of optimism, taking into account the overall negotiation prospects. Several participants also noted the link with the overall Domestic Support negotiation.

During Quad plus consultations on 30 June, participants made preliminary comments on a draft proposal on Cotton Domestic Support being currently prepared by the C4.

Many participants were of the opinion that the most efficient way forward would be to focus on the most trade-distorting support granted to cotton farmers but divergent views were expressed as to how this could be done.

Market Access

Members have expressed a wide range of views on the likelihood of an outcome on market access for MC11. Some think that incremental outcomes would be feasible at MC11, others consider that a commitment to pursue market access negotiations post-MC11 would be a realistic outcome.

Others think that an outcome in this area would not be possible. The issues highlighted by Members as priorities in this area reflect the diversity of positions and include: specific elements in the market access pillar; updated market access information in order to lay the ground work for future market access outcomes, and the development of a work programme on market access.

Special Safeguard Mechanism

The discussions on the SSM for developing country Members have not revealed an obvious way forward to achieve concrete outcomes for MC11. Proponents continue to stress their views that the SSM is an essential tool to protect domestic producers from import surges, to fight against poverty, and to promote rural development. They consider that a concrete, incremental outcome, focusing on the price-based SSM should be a workable option in MC11. Other Members consider that it would be difficult to achieve any outcome on the SSM in MC11 in the absence of outcomes on market access more generally.

Export Restrictions

During my consultations, both bilateral and in a small-group setting, I noted a broad interest and support among the Membership for Singapore's ideas to enhance the transparency of export restrictions.

To make further progress in the discussions and in response to Members' requests, Singapore circulated last week a textual proposal (contained in JOB/AG/101) and presented that to the Membership in the CoA-SS open-ended session on 19 July. A number of Members supported the proposal to form a basis of a possible outcome on export restrictions at MC11. Some Members also believed that the outcome should not be limited to transparency alone. Simultaneously I heard concerns from some developing Members on the potential burdensomeness of the proposed transparency requirements.

Export Competition

A couple of Members reiterated that export competition was still an unfinished business, and that this fact should be recognized, but no deliverable is expected on this topic for MC11.

Sanitary and phytosanitary (SPS) measures

Brazil and Argentina indicated that their objective was to start a discussion on a certain number of SPS issues listed in their discussion paper and that could be part of the deliverables for the next Ministerial Conference in Buenos Aires. I understand these Members are reflecting on what the next steps could be to further discussions on this issue.

Conclusion

Thus, the discussions in the last weeks have confirmed that the different topics are at different levels of maturity.

Many delegations consider that a substantial outcome at MC11 is within reach for Public Stockholding for Food Security Purposes, Domestic Support, Cotton and Export Restrictions but the same cannot be said of the other topics.

Some delegations consider nevertheless that a substantial outcome is still possible, at least partially, for some of the other topics.

Some other delegations express doubts about the possibility of reaching substantial outcomes on any of the topics under consideration.

It is indeed clear that key areas of divergence, and in some cases significant ones, remain.

On all these topics, with the notable exception of PSH where there is a mandate to agree on a Permanent Solution at MC11, there is agreement among the Members that some issues would have to be taken up in a Work Programme post MC11.

In terms of process, Members have now engaged in discussions with a high level of specificity, at least on some issues. Most recently, the number of proposals – eight overall including some textual proposals for outcomes at MC11 – tabled last week confirmed the renewed engagement by Members.

This being said, it is clear that we have not yet moved so far into what I would call a real intensive negotiation mode. We have had useful suggestions, discussions and exchanges but no real negotiation.

This preparatory phase was very important, and I would say indispensable, to prepare the ground for a successful negotiation, but we also need to be realistic and pragmatic.

The issue we face today is, therefore, how do we move forward considering the numerous elements available on the various topics, and their respective degree of priority for the Membership, should we decide to move into text-based negotiations.

This issue is now becoming absolutely critical, given the tight timeframe we are operating in.

So what is the situation today?

On both topics – PSH and Domestic Support – we have several contributions – including proposals – that highlight various options and include sometimes common elements that nevertheless differ substance-wise. These written contributions are supplemented by oral interventions during meetings, some of which contain very specific additional elements.

On Export Restrictions, we have one main written proposal which could serve as a possible basis for discussion.

On cotton, we already have some suggestions on the table and we are still waiting for the submission by the C4 that will of course be an important piece in the future negotiation.

On other topics like Market Access and SSM, we have submissions by proponents that have not yet triggered in-depth detailed discussions with non-proponents.

Finally, proponents are still reflecting on the way forward for SPS-related issues and no text is expected on Export Competition.

On my side, I will carefully reflect in the coming days on how to organize my work based on all the inputs received so far.

My immediate objective after the summer recess will be to intensify discussions, based on the submissions thus far received with a view to capturing the convergences and identifying precisely the areas of divergence.

This will have to be done for all the topics on the table, while taking into account their different levels of maturity.

This being said, let me stress again that I am only a facilitator and there is no substitute for direct discussion between and among delegations to bridge gaps and explore and develop possible options that might garner consensus, taking into account the recent submissions and related discussions.

Time is extremely short and there will be no place for hesitation or procrastination in the fall.

2. Negotiating Group on Rules

Since last fall, the Negotiating Group on Rules has been pursuing an active programme of meetings on fisheries subsidies, triggered by submissions from Members. As of last week, the Group has now received seven textual proposals for binding new disciplines. Of the seven, six are comprehensive texts, while the seventh is intended to fit into a broader framework of disciplines. All of the proposals refer to Sustainable Development Target 14.6, which calls for the elimination

and prohibition of certain fisheries subsidies by 2020, and refers to the WTO negotiations on this issue. All of the proposals are aimed at achieving outcomes at MC11.

Our process continues to be proposal-based and Member-driven. And it is a very significant step that as of last week, all of the proponents that previously had submitted conceptual proposals have now converted these to legal text form. In some cases, proponents already have submitted revisions to their original legal texts, in response to questions and comments from Members. Our process has been consistent throughout. When each new proposal has been received it has been discussed in open-ended plenary session. At our two-day meeting cluster last week, we had six new proposals on the agenda for a first round of discussion.

Previously, during the Spring, the Group held a series of topical discussions of common themes and issues that were raised in the proposals then on the table and in the related discussions in the Negotiating Group. All Members were free to participate, and many have commented that those discussions helped them to focus their thinking and to understand the concerns of other Members.

Our meeting cluster last week was focused exclusively on the new fisheries subsidies textual proposals received since June. The discussions were constructive and engaged, in spite of the fact that some proposals were received only shortly before the meeting.

In terms of next steps, at the request of the proponents and as agreed by the Negotiating Group as a whole, I will be circulating to all Members, later this week, a matrix or tabular compilation of all of the textual proposals. This will be a thematic side-by-side presentation of the proposals – nothing will be added or subtracted. The topics or issues in the table will be taken from the proposals themselves, and the purpose is simply to facilitate Members' ability to analyse and compare the proposals.

After the summer break, my intention is to organize an intensive programme of meetings where we will return to topical discussions, this time based on the matrix. This approach should help us to efficiently identify where we already have opportunities to build convergence, and where much more focused and intensive work is needed. During this process, I anticipate that Members may submit additional focused drafting suggestions on the various issues under discussion. I will be encouraging all Members to assist our process in this way – to be in a solution-seeking mode, building on what we already have before us on each issue, including by bringing in new ideas and approaches, in textual form, that may help to bridge gaps.

Turning to the other main pillars of Rules, trade remedies and horizontal subsidies disciplines, both have seen recent activity. On trade remedies, we received a new, textual proposal from one delegation, following up on an earlier conceptual paper with a somewhat broader scope. We also received a conceptual proposal regarding improving the horizontal transparency rules in respect of subsidies. Earlier this month, consistent with our established practice, we held open-ended informal meetings to consider both of these proposals. A range of views was expressed on each, and all delegations are now reflecting on the issues raised. I stand ready to facilitate further engagement on these issues, in line with the commitment to ensure that every opportunity is provided to Members for the deepening of understanding and advancing the consideration of any issue, on its merit.

Encouragingly, in our discussions over the past few weeks of all issues under consideration in the NG Rules, all Members, including the proponents, emphasized that each issue needs to proceed on its own merits, without linkages or sequencing with other issues. I am very heartened by this approach, which can only facilitate our further work in the short time before MC 11, when we reconvene in the fall.

3. Council for Trade in Services – Special Session

Over the last year, the priority areas highlighted by a number of Members were: domestic regulation; services trade facilitation; market access; and services aspects of e-commerce. Discussions are more advanced than in some areas than in others. Let me say a few words about each of these topics.

Negotiations on domestic regulation are obviously more advanced, since they have been ongoing for quite some time. Since my last report, formal and informal meetings of the WPDR have been

held. Work has progressed to a more in-depth discussion of several text proposals, including the most recent ones on "technical standards", "gender equality" and "development – least developed countries".

From my consultations with the Chair of the WPDR, I understand that some Members question the need for domestic regulation disciplines generally and the benefits and appropriateness of what has been proposed specifically. At the same time, many Members have substantive interest in fully understanding the scope and details of the proposals, and in flagging areas of practical concern that they would like to see accommodated as the process advances. Proponents are working towards consolidation of their proposals in one document, taking into account the discussions that have taken place. Further engagement is expected after the summer break.

Second, on services trade facilitation, no new substantive discussion of India's proposed text has taken place since the HoDs meeting of last May. India's proposal has been discussed in a good amount of detail. Clearly, the views of Members differ significantly. In view of comments received, India undertook to prepare a revised draft of its proposal. Once it is submitted, I will work to facilitate further discussions.

Third, regarding services aspects of e-commerce, a concrete proposal for rules aiming to facilitate online services transactions has been put forward since my last report. The proposal by the European Union covers such issues as e-signatures, e-contracts, consumer protection, and spam. The proposal was discussed for the first time in June. Different views were expressed and further discussions will be required to further flesh out opinions and to discuss substantive as well as more technical aspects.

And fourth, with respect to market access, I have noted on previous occasions that a number of Members have expressed interest to move ahead. However, no concrete proposal has so far been put forward.

In conclusion, let me stress a few points. First, the more time passes, the more the chances of substantive deliverables for MC11 diminish. Proponents in all areas will have to engage strongly and realistically, right after the summer break.

In each of the areas where concrete proposals have been submitted – trade facilitation, domestic regulation, and online transactions – some Members currently appear opposed to an outcome. If delegations want to pursue consensus-based process and outcomes, these differences of views will have to start narrowing soon. If that does not happen, there will be no such consensus-based outcome for MC11.

As usual, I will stand ready to facilitate discussions as soon as proponents are ready to engage.

4. Committee on Trade and Development – Special Session

Since my last report to the HODs in May 2017, there have been important developments in our work.

Earlier this month, the Special Session received a submission from G90 containing a number of revised S&D proposals. These were circulated to Members on 10 July in document JOB/DEV/48 & JOB/TNC/60.

A formal meeting of the Special Session was held on 19 July 2017 to consider these proposals. The proponents introduced their proposals in that meeting, after which Members expressed general comments and some preliminary views on the proposals.

Members expressed divergent views on the substance of the proposals. Some Members felt that, other than two proposals which were new, the others were similar to those that had been discussed in the run up to and at Nairobi, where it had not been possible to gather consensus on them despite intensive and constructive engagement. Those proposals had sought carve-outs from established WTO rules and principles, and for a broad group of members.

These Members felt that the revised proposals had failed to take into account earlier discussions. They also felt that progress in the discussions would only be possible if the proponents were ready to explore new approaches to address the underlying issues.

Other Members appreciated that the G90 members had put in a lot of effort in reformulating these proposals and found it encouraging that a reduced number of proposals had been tabled. They felt that Members should begin consideration of the proposals with an open mind with the aim of finding common ground.

Clearly Members have divergent views. I am cognizant of the fact that we do not have much time to identify possible deliverables for the Ministerial in Buenos Aires.

My aim is to complete the first reading of all proposals by the middle of October. I plan to reconvene the formal session of the suspended 52nd Session of the CTD SS on 14 September. After this, the membership will be in a better position to assess the situation and decide on how to proceed with our work in the remaining time available.

My primary objective is to ensure a work plan that facilitates constructive engagement leading to tangible deliverables at MC11.

Of course, positive engagement, mutual accommodation and willingness to demonstrate flexibility will be crucial to making progress and for shaping S&D deliverables for MC11.

5. Negotiating Group on Market Access³

My last report was made to the Heads of Delegations (HODs) informal meeting on 8 May this year and was circulated in document JOB/TN/MA/3.

Since that time, I would like to report that there has been no evolution in the area of tariffs. However, new developments have taken place in the area of non-tariff barriers (NTBs).

The Negotiating Group on Market Access met in formal session last Friday, 21 July in order to consider a proposal by the EU; Hong Kong, China; Chinese Taipei; and Singapore entitled "Ministerial Decision on Facilitating SME Trade: Transparency of Regulatory Measures for Trade in Goods" (TN/MA/W/144/Rev.1). The proposal contains a number of elements including:

- Making available regulatory measures via the internet;
- Notifying the final text of regulatory measures;
- Consultation of stakeholders during the development of a regulatory measure;
- Creating a public internet portal of regulatory measures;
- Adopting a Work Programme in order to develop additional provisions relating to transparency.

The proposal aims at covering all regulatory measures falling within the scope of the Agreement on the Application of Sanitary and Phytosanitary Measures (SPS) and the Agreement on Technical Barriers to Trade (TBT).

The discussion last Friday was substantive and many delegations took the floor to express support, reservations and in some cases opposition to the proposal.

Supporters stressed that enhancing the transparency of TBT and SPS regulatory measures would facilitate small and medium sized enterprises (SMEs) and micro, small, and medium sized enterprises' (MSMEs) integration into the multilateral trading system. Currently such type of information was scattered and difficult to access for SMEs and MSMEs. Some mentioned that for multinational companies the situation did not present a challenge as they had the resources to obtain the relevant information. This was in stark contrast with the situation of small size enterprises for which the difficulties in gaining access to information did effectively constitute a non-tariff barrier. So in short, in the view of the supporters, SMEs and MSMEs stood to benefit the most through the increase in transparency and access to information as envisaged by the proposed decision.

³ The report was subsequently circulated in JOB/TN/MA/4.

Some Members who saw merit in the proposal still needed further explanations and asked questions.

I am turning now to the reservations and, in some cases, objections to the proposal. A group position noted, among others, that the proposal constituted heavy administrative obligations and could eventually impinge on Members' right to regulate. Other points raised included the lack of a common understanding of the basic concept of SME, the broad scope of the proposal, and how the proposal related to the mandate of the Negotiating Group. Some considered that a consensus would be required to hold negotiations on this proposal. Other points included the lack of clarity about the benefits that would accrue to the SMEs of developing countries and LDCs and how their needs have been taken into account. Doubts were also expressed about the timing of the proposal and its chances to elicit consensus at MC11.

Finally, it was noted that transparency issues were already discussed in the TBT and SPS Committees and it was important to not undermine the work that was taking place in these bodies among experts.

During the discussion, the sponsors had the opportunity to respond to some of the specific questions, reservations and objections that were voiced.

I concluded the meeting by noting that the proposal had received both support and opposition. I also indicated that many questions and issues were raised during the debate. Some of them were addressed by the co-sponsors at the meeting whereas other issues required further clarification. I noted that the co-sponsors were ready to engage and to provide responses to the remaining questions. In light of the debate, my assessment is that substantive work is still needed to clarify a number of points and to build momentum. So, I would repeat my call to the sponsors to engage with Members if they want to advance this file. Of course, should further developments occur, I stand ready to hold consultations.

6. Council for TRIPS – Special Session

In my last report to the Heads of Delegation's meeting on 8 May, I had indicated that the situation in the TRIPS Special Session remained unchanged and that delegations on both sides of the habitual divide showed little appetite to engage in substantive work in the TRIPS Special Session in the context of the overall negotiating landscape.

Unfortunately, the situation has not evolved much since that time. The delegations supporting the Joint Proposal continue to consider that, due to the divergence of views on the extent of the mandate, there is little likelihood for a realistic outcome in this area, and are therefore not in favour of intensifying work in the TRIPS Special Session. While I understand that internal discussions among supporters of the TN/C/W/52 coalition have progressed since May, these activities have so far not resulted in concrete initiatives to reinvigorate the discussion in this negotiating forum.

In view of the apparent reluctance of Members to engage constructively in the TRIPS Special Session, I have mostly adopted a "listening mode" approach, and have kept in close informal contact with the most active delegations in order to detect any developments and foster engagement in this area.

However, in view of the approaching Ministerial meeting in December and in order to allow a better assessment of Members' levels of ambition in this area, it is my intention to resume more active consultations after the summer break. Depending on developments, such consultations and exchanges should permit us to establish a clearer picture of the situation in the negotiations on a GI Register for wines and spirits, and what, if any, activity in this regard can be expected for MC11.

It is also my intention to hold a formal meeting of the TRIPS Special Session in October, back-to-back with the meeting of the Regular Session of the TRIPS Council.

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

7. Committee on Trade and Environment – Special Session

As indicated in my previous report to you in May, I held a round of bilateral consultations reaching out to all delegations. My intention with the consultations was to have an update on delegations' views on whether there was scope in this ministerial year to turn delegations' repeated expressions of goodwill and support for the topics of the environment and sustainable development into restarting work in the CTE-SS. Moreover, through the consultations process I was seeking to get a better sense of whether the level of priority that some delegations gave to the CTE-SS may have changed in light of recent developments, including efforts on environmental goods trade pursued by a subset of WTO Members in the context of the EGA.

During the consultations, delegations reiterated their continued support for, and interest in, the issue of trade and environment in the WTO. Additionally, all delegations with whom I met agreed that environment should not be forgotten if Doha mandates are recalled in any ministerial declaration that might emerge from Buenos Aires. That said, I did not detect any change in Members' underlying positions, nor did I sense any intention on the part of Members to come forward at this juncture with concrete proposals on how to advance our work.

At the same time, the consultations revealed a significant degree of interest from delegations in holding an informal, factual information session regarding past work under the three-pronged mandate of the CTE-SS. Delegations that took part in the consultations saw a factual information session as a good opportunity to refresh our collective memory about the valuable work on the CTE-SS mandate that has taken place over the years. Moreover, as repeatedly noted by delegations, these negotiations have stretched many years and delegations have naturally changed over this time, so not all of us may be up to speed with the work that has taken place in the CTE-SS over the years. In fact, the last time the CTE-SS held an informal information session was over two years ago, in March 2015, well before the start of my chairmanship.

With this in mind, I believe that the time is ripe for holding a new information session. What I envision this time around is a factual overview by the WTO secretariat of the discussions that have taken place so far in the CTE-SS on all three items of paragraph 31 of the Doha Ministerial Declaration. This will then be followed by an opportunity for delegations to seek clarification or share their thoughts on what comes next. My hope is that the information provided would assist delegations' own reflections on how to proceed with the CTE-SS mandate and what opportunities the upcoming ministerial in Buenos Aires offers to us.

The precise date and time of the informal meeting will be communicated to delegations shortly.

In the meantime, I would like to remind delegations that I stand ready to play my part in the work of the CTE-SS and to assist you in any way I can. Thank you.

8. Dispute Settlement Body – Special Session

Since I became Chair in May, the group has completed its focused work on two of the 12 issues in the negotiations. The first issue was Strictly Confidential Information, and this week the group will complete its focused work on another issue, Sequencing.

My intention is to conduct a stock-taking exercise with Members after the summer break with a view to assessing whether a possible outcome could be prepared on the basis of the work undertaken since May 2016. The stock-taking exercise will also provide an opportunity to discuss the way forward.

ANNEX 2**STATEMENT BY THE CHAIRPERSON OF THE ELEVENTH SESSION OF THE MINISTERIAL CONFERENCE AT THE INFORMAL TRADE NEGOTIATIONS COMMITTEE MEETING HELD ON 25 JULY 2017****Statement by the MC11 Chairperson**⁴

I would like to formally convey my Government's and my appreciation for the trust you have put in Argentina to host this year's Ministerial Conference.

For us, in Argentina, for us, Argentines, hosting the WTO Ministerial Conference means supporting the multilateral trade system and being committed to upholding its values and integrity.

President Mauricio Macri has entrusted me with the task of chairing this WTO Ministerial Conference, the MC11, and I can only assure you that I will spare no efforts, and I am sure you already realized that, to guarantee its success.

For this, I intend to follow the preparatory process closely. I have been in regular contact with the DG and his team to keep up with the developments in Geneva. And I have met already with the Chairs of the negotiating groups twice. In fact, I have dedicated the whole of yesterday to discuss each of these negotiations.

In this respect, I would like to thank the Director-General and the Chairs for their efforts in advancing the discussions in all areas. We all have just heard their reports. I would also like to extend my gratitude to the delegations for their engagement and commitment demonstrated.

I have to say that I have seen progress since April, but I am deeply concerned of how much work we all have before us. It is clear that divergences still need to be overcome and that even though efforts have been made to put more papers on the table, the negotiating instances have not really yet started. And I think this is a clear sign that, and everybody made reference to the summer break, I will also do the same; after the summer break we have no time to spare. We have to exercise flexibility and focus, and hopefully, our shared belief in the multilateral trading system and its role in supporting our economies.

Argentina, as a founding Member of the WTO, cherishes the stability and predictability that the transparent, rules-based multilateral trading system embodied by the WTO has provided to our country since its establishment. Our Government is working to ensure that Argentina integrates further and successfully into the world economy. It is a prime objective of our Government.

However, we all need to recognize that we, collectively, are facing challenging times. Globalization and open markets are often being blamed for job disruption and inequality, giving breeding ground to protectionist tendencies and insularity.

But more than that, I think, we need to recognize that our citizens, our peoples, feel distant from their leadership and from organizations such as WTO. They sometimes wonder about the relevance and positive impact that an organization such as the WTO makes in their lives. This adds responsibility to the world that we are committed to. It should push us to act with even more conviction to ensure that the role and function of the WTO are preserved and strengthened.

Agenda 2030 has set the tone for our work. Less than two years ago, we, collectively, signed on this effort to leave no one behind. There was a clear recognition of the underlying inequalities between countries and within countries. That is why this became a universal agenda: not a developing world agenda, a global agenda.

And, of particular significance for us, here, trade was highlighted as a key enabler of this agenda towards inclusivity. Trade was highlighted.

⁴ The statement was subsequently circulated in JOB/TNC/62.

In the face of growing political and economic uncertainty, Buenos Aires, we, in Buenos Aires, need to send a clear message that the system is essential to our common prosperity. As Members of this Organization, we need to reaffirm our belief that trade, international trade– based on transparent and shared rules –provides us with more and better opportunities for economic growth and development.

The system we built together is not perfect. Let's work together to improve it, to make it more effective and more efficient to all. Let's find common ground to build bridges, not to build walls.

The results of the most recent Ministerial Conferences have shown that we can achieve results. What happened recently in Nairobi is a clear example of what can be done. But it is also true that we face a more significant challenge given the environment we will be discussing in while in Buenos Aires.

We have to recommit to the system. What is at stake here is not a particular issue. We have here the Chairs of the Negotiating Groups. And we have seen that issues are put on the table. But we need to come to the table with the conviction: that the profound discussion we are facing is not about any particular issue. It's about the system being preserved.

So, this time more than ever before, it is not only about the technicalities of the issue, it is about the values and the principles that brought us together sitting around this room.

We know that there are outcomes that have been long delayed. And for us in Argentina the view of farmers is at the centre, no question about that. So, we recognize that. But we also recognize that there are new issues of the 21st century that require attention. So, how we find ways to balance that? So that we can prove to our peoples that this Organization is relevant and it keeps up with the demands from the times; it is absolutely essential.

The role of WTO in building international economic coherence is undeniable. The complexities of the challenges we face and their scope mean that multilateral action is the best option we can provide.

I will say that we want Buenos Aires to serve as a platform, as a timely platform in which we can all recommit and endorse again this system. It is a way to be, if I can use this word, "refoundational" on the notion of the system that we all need; even though, again, we all recognize that the system may need improvements.

I can assure you that you can count on my personal continued support and assistance. You will see me around; probably you will hope not to see me so often. I will be reaching out to your capitals as needed. And again, I hope that it will not happen very much, because in your able hands things will move forwards, as needed. But we really feel, from deep in the south, that these are times for us to stand up, to recognize that solutions are not easy, to recognize that getting our view 100% will not be possible, and to recognize that preserving a system that can be the umbrella for all of us to go further in the 21st century is central.

So I count on you as much as you can count on me. I look forward to working with you, with the DG, his team, with the Chairman of the Council, with each one of the delegations with the view that "no successful Buenos Aires" is not an option. That the only option we have is to be able to build those bridges and to make every possible effort, coming from our corner, but recognizing that only a shared perspective will get us there.

ANNEX 3**STATEMENTS BY DELEGATIONS AND THE DIRECTOR-GENERAL'S REMARKS AT THE INFORMAL TRADE NEGOTIATIONS COMMITTEE MEETING HELD ON 25 JULY 2017**

Following the Director-General's statement at the above-mentioned meeting, the statements of Rwanda (African Group); Israel; Philippines; Chinese Taipei (Article XII Members); European Union; Chile; Barbados (CARICOM); Cambodia (LDCs); Nigeria; Republic of Korea; Dominica (OECS); Benin (C-4); Pakistan; Paraguay; Morocco; Peru; Ecuador; Singapore; Mexico; Indonesia (G-33); Zimbabwe; India; Zambia; Bolivarian Republic of Venezuela; Russian Federation; Nepal; Plurinational State of Bolivia; Ukraine; Fiji (Pacific Group); Senegal; Norway; South Africa; Cameroon; Ghana; Republic of Moldova; Uganda; Jamaica; Hong Kong, China; Uruguay; Tanzania; China; Brazil; Switzerland; Montenegro; Thailand; Mozambique; United States; Kenya and Kingdom of Saudi Arabia and the Director-General's Remarks are included below as part of the Minutes of the General Council meeting.

Statements by Delegations

During the meeting, delegations welcomed Susana Malcorra (Argentina), Chairperson of the Eleventh Ministerial Conference.

1. Rwanda (African Group)

Today, our statement will provide reflections from the African Group retreat held in Geneva on 6 to 7 July, which saw the participation of a strong delegation of the African Union, led by the Trade Commissioner Albert Muchanga.

The African Group wishes to reiterate our special attachment to the strong development mandate embodied in the Doha Development Agenda and we call on all Members of the Organization to respect the letter and spirit of paragraph 31 of the Nairobi Ministerial Declaration, and I quote "... there remains a strong commitment of all Members to advance negotiations on the remaining Doha issues".

Let me outline the priorities of the African Group as we all strive to ensure a favourable and balanced outcome in Buenos Aires:

On Agriculture negotiations, as you already know, a high proportion of the populations in all African countries are crucially dependent on agriculture for livelihood and daily subsistence. Therefore, a correction of the systemic imbalances and asymmetries in the Agreement on Agriculture, as echoed by all African Ministers of Trade, remains our main priority in the WTO and it continues to be our determinant of the level of ambition in the negotiations as we move towards MC11.

We underscore that recent approaches on Overall Trade Distorting Support (OTDS) based on the percentage of value of production (VOP), cannot achieve the desired objectives. Indeed, these approaches would rather result in maintaining and even extending current imbalances in the global rules on trade distorting domestic support.

We expect that collective efforts to level the playing field can be achieved through among others: (i) the elimination of AMS entitlements; (ii) and capping product specific support to avoid production support concentration.

Furthermore, we look forward to Members to address the following issues: Cotton, as specifically submitted by the C-4; a Permanent solution on Public Stock-holding for Food Security Purposes; a Special Safeguard Mechanism (SSM) as well as concerns raised by Net-Food Importing Developing Countries (NFIDCs).

On Fisheries Subsidies, as it well-known, developing countries and LDCs are not the main players when it comes to fisheries subsidies that contribute to overcapacity and overfishing. On the contrary, developing countries and LDCs are the most affected by unfair competition caused by

overfishing activities of subsidized industrial fishing vessels and fishing practices of countries that are operating in their exclusive economic zones.

In light of this, we wish to reiterate our call for a multilateral outcome with provisions for elimination of subsidies to IUU fishing activities, as well as disciplines on subsidies that contribute to overfishing and overcapacity, while taking into account the need for necessary policy space for the development of this sector in many developing countries.

On Special and Differential Treatment, the G90 introduced its proposal in a CTD-SS meeting held last week. Regrettably, these proposals were received with extremely stiff resistance by some delegations.

We remain guided by our Ministers who have been constantly explicit on this issue and have maintained that Special and Differential Treatment MUST be an integral part of all WTO Agreements and future multilateral outcomes and be operationally effective, so as to enable developing countries, in particular LDCs, to catch up and effectively address their development needs.

Given the importance of S&D in economic development, we call on all Members of this Organization to demonstrate the same spirit of openness that is urged upon us, when they present other issues, which we do not consider a priority for our economies.

Therefore, in a similar spirit of good-faith, we hope to see positive engagement from all Members come September.

With regard to Trade in Services, the African Group is committed to continue its constructive engagement in the Working Party on Domestic Regulations (WPDR). It is our sincere hope that after the summer-break, proponents will present us with responses to all the questions which we have put forth.

As you know we are NOT demandeurs for disciplines in Domestic Regulations but we have been engaging in order to understand the scope and impact of the proposals on the right to regulate. We reiterate the concerns of our Ministers that "any outcome on GATS Article VI.4 disciplines shall not involve the implementation of new and/or onerous administrative requirements or requirements that intrude into the domestic policy-making processes".

On other issues, the African Group recalls paragraph 34 of the Nairobi Ministerial Declaration which states that "While we concur that officials should prioritize work where results have not yet been achieved, some wish to identify and discuss other issues for negotiation; others do not. Any decision to launch negotiations multilaterally on such issues would need to be agreed by all Members".

Therefore, we reiterate that ALL issues without any negotiating mandate, inter alia E-Commerce, MSMEs and Investment Facilitation, will require an explicit consensus to launch negotiations.

Before I conclude, let me reiterate that the African Group remains devoted to this Organization and we are ready to constructively engage with all our partners, in established bodies of this Organization, as we move towards Buenos Aires.

The African Group remains committed to a fair and balanced rules-based Multilateral Trading System; which puts the economic development of developing countries, and especially the least-developed among them, at its core, as inscribed in the preamble of the Marrakesh Agreement establishing this Organization.

On the crucial issue of Process, the African Group underscores the importance of upholding the principles of full participation, inclusiveness, and transparency in the run up to, as well as during the eleventh Ministerial Conference in Buenos Aires. We strongly stand against any process or green room meetings both in Geneva and in Buenos Aires that would be exclusively reserved for certain Members only. We stress that such meetings must be representative of all WTO groupings.

In addition, we expect that members would continue to abide by the "gentleman's agreement" requiring for any Member pursuing an issue for decision, but not achieving consensus on it 6 weeks before MC11, would not insist on putting the item before our Ministers in Buenos Aires.

Regarding the second item (HoD), I feel it is my duty to report to you that I have been approached by some delegations of our group who raised questions regarding the format of today's meeting. Those members asked me to convey their request for an open conversation on the issue of informal HoD. Having heard their concerns and having heard your introduction on the matter, I would suggest that we hold informal consultations in a near future in order to ensure once for all the same understanding on what informs this format.

I wish to clarify that the timing of the reception of this request did not allow for me to consult the entire African group.

2. Israel

At the outset, Israel would like to associate itself with the statement read by the Swiss Ambassador on behalf of the group of Friends of the System.

The intensification of discussions and proliferation of ideas as we approach the summer break make us hopeful that we could be ready to deliver meaningful outcomes in Buenos Aires. This is Israel's wish. Against an overall backdrop of uncertainty, we must seize every opportunity to send a strong message about the importance and significance of trade liberalization and the rule-based multilateral trading system.

Let me begin with agriculture. As a member of the G10 group, Israel welcomes the recent efforts in the painstaking process of finding common ground on Agriculture. We believe the feasible starting point for the discussions should focus on the existing instruments of AMS and de minimis, and I would like to refer to the G10 communication (JOB/AG/103) outlining some of our views and express our support for Japan's contribution in JOB/AG/104. Nevertheless, we take note that some members have proposed ideas for reforms in domestic support, which in our mind are not the ideal path to go.

Israel is also interested in the discussions on Export Restrictions. In fact, we consider the effect of non-transparent and disproportionate usage of these type of measures on international trade and prices of commodities as harmful, and believe that it is one of the potential deliverables of the upcoming Ministerial Conference. On this note, Israel welcomes Singapore's "Proposal on Transparency on Agriculture Export Prohibitions or Restrictions" as well as the emplacement of further constraints on such export restrictions.

Now, focusing on identifying the feasible contours of a package of deliverables for Buenos Aires, we welcome the recent dialogue with the aim of finding a specific solution for cotton and a permanent mechanism on public stockholding in developing countries for food security purposes as mandated by our Ministers in Nairobi.

We are also encouraged by the discussion on fisheries and number of proposals that have supported it. This engagement clearly demonstrates how we can all take interest in protecting our common goods. We are encouraged by the incremental engagement and statements by important members in regards to the way ahead for standalone deliverables in this area. The pathway proposed by the Chairperson, Ambassador McCook, last week which seeks to consolidate all proposals seems to go in this direction and this is encouraging.

On services we have been encouraged by the intense conversations in the Working Party on Domestic Regulations where a group of co-sponsors have ignited discussions with various proposals addressing most aspects of the mandate but leaving development open to demandeurs' ideas. As you all know Domestic Regulation disciplines do not restrict policy space nor impose burdensome obligations on developing countries and much less on LDCs.

Services linked to e-commerce constitute another issue with the potential for delivering results in Buenos Aires and Israel believes in the positive affect these may have on the inclusion of SMEs. There has consequently been calls for Members to craft a roadmap for Ministers to consider in Buenos Aires that sets out improved processes and a more focused way forward beyond MC11.

Israel believes that an effective and prompt discussions on e-commerce as we go along towards MC11 may serve as another example for this organization's valued contribution to world trade.

Finally, it is up to us, the Members, to identify the areas in which outcomes are possible in Buenos Aires and to move forward in those areas. We need to show that we have learnt from our past mistakes and avoid last-minute ditch approaches, which will not be acceptable again by our Ministers.

3. Philippines

The Philippines also associates itself with the statement delivered by Indonesia on behalf of the G-33, as well as with the statement delivered by ASEAN today.

The Philippines seldom speaks in the Informal TNC/HODs given that our main concerns are always reflected in statements of the alliances where we belong. Today – some five months away from MC11 – however, is a special day indeed for emphasizing and clarifying our gateway priorities in the negotiations particularly in Agriculture.

Judging from the current proposals on the table thus far including on domestic support and PSH, the Philippines underscores that none has yet can provide sufficient political basis for us to support any outcome in MC11 – if at least an incremental but concrete and operational outcome on SSM is not included in a package of outcomes in Buenos Aires.

Without SSM, there is no way the compensation being asked of us – the proposal to cap and reduce overall trade distorting support that covers only de minimis AMS entitlements of Members could be balanced or ameliorated. Thus, the proposal to issue another work programme on SSM in MC11 is neither workable nor acceptable for the Philippines. It is also, in our view, a recipe for failure not only for the WTO but also for the millions of Filipino farmers and other farmers in developing countries including LDCs. To be clear, without a concrete and operational SSM, we would not consider MC11 to be a success.

On fisheries subsidies, the Philippines can support any workable outcomes in MC11 that promote sustainability of oceans and harmony among nations. And that fisheries subsidies and IUU fishing activities are neither promoted nor legitimized under new WTO disciplines especially in geographical areas where maritime entitlements are in dispute.

The Chair and Members must frame our work after the summer break in a manner that would ensure thorough discussions of technical issues of Members before our Ministers gather in Buenos Aires, and that all DDA issues of Members critical to their decision-making should not be left out of the agenda of MC11 to ensure success.

4. Chinese Taipei (Article XII Members)

Article XII Members would like to stress that the extensive concessions made by Article XII Members have demonstrated our strong commitments to the multilateral trading system. Take domestic support in agriculture as an example that Article XII Members largely adopt a much higher AMS reduction rate and applied a much lower de minimis than the rate assumed by developing country Members in the Uruguay Round, let alone some developed country Members enjoyed even a much higher ceiling of their domestic support.

We hope our levels of commitments could serve as good references. Moreover, the special situation of Article XII Members shall be taken into consideration in the negotiations, which is clearly stated in Paragraph 27 of the MC10 Declaration.

5. Chinese Taipei

I would like to speak on behalf of my delegation to support the transparency proposal raised by the EU. In fact, our delegation was the first Member to have supported the EU proposal.

In general, there are two aspects associated with an international treaty or agreement. The first aspect is that it restrains a Member's sovereignty or regulatory authority because some of the Member's domestic affairs is affected by such treaties. The second aspect is that sometimes

foreign treaties represent forces that push the domestic regulations to move toward more reasonable scenarios. We believe that the EU transparency proposal is more of the second aspect – pushing towards reasonableness, and less or even none of the interference aspect.

Frankly, my delegation was and is not in full conformity with the transparency requirements yet, and if we ask regulatory agency's opinion, they would certainly object to this proposal and our delegation would never join the proposal. But I believe that this is one of the few things that we should not be driven by the "current status" of our bureaucracy, therefore we endorse and support the EU's proposal.

This spirit could also apply to other issues, in driving a successful MC11. In short, we have supported the EU proposal in its old version. We support its current version, despite some of the ambition that has been compromised. And we will support it no matter whatever revision is made in the future.

6. European Union

On TNC matters, we would like to thank you and the Chairs of the Negotiating Groups for your reports. These reports reflect a welcome change of gear in the preparations of MC11: there are now multiple textual proposals on the table which provide a solid basis for our work over the next months.

The European Union is committed to achieving successful outcomes in Buenos Aires and we have contributed to advancing the process by submitting textual proposals on many outstanding Doha issues. Our recent submission with Brazil and other Latin American countries sets out a reasonable basis for negotiations on several issues of core agricultural interest to Members: domestic support, public stockholding and cotton.

Likewise, the EU welcomes the progress in the preparations of an outcome on fisheries subsidies. The discussions at the meeting of the Rules Negotiations Group last week showed considerable engagement. Nevertheless several important differences remain to be bridged in order to ensure that meaningful disciplines are agreed and applied consistently by Members.

By the same token, and despite objections raised by some Members, we hope to soon see a comprehensive and consolidated textual proposal on domestic regulation in services, based on the inputs of Members. The European Union also looks forward to speeding up work on our initiative, together with several Asian Members, on facilitating SME participation to global trade by enhancing transparency on regulatory measures.

We must adopt a pragmatic approach and ensure that we do not miss an opportunity to strengthen the WTO. There is no point at this stage to prioritise issues or reduce our ambition, but we should start the next stage, that of real negotiations.

Just after the summer break, we will need to consolidate and finalise the proposals to be in a position to seek political guidance on the scope and contents package of files issues that can be brought as deliverables to Buenos Aires. Clarity and common understanding on results for MC11 are essential and should be achieved in good time to avoid the chaotic situation we had in Nairobi.

Time is again of the essence as the tasks ahead of us remain tremendous and weeks are scarce. Good planning, coordination efforts and shorter turnaround times between Geneva and capitals are necessary to meet the challenges ahead of us. The DG, the General Council Chair, the Chairs of all Negotiation Groups and the Argentinean Presidency will have a key role in organising the work and above all in bringing all of us around the table.

7. Chile

Chile's position is well known and is systematically reiterated in working groups, negotiating groups and on all occasions when opportunities arise for dialogue with the potential to lead to significant agreements that would allow the Organization's objectives and functions to be met in full.

I shall not go into detail, but will merely express Chile's willingness to work towards and contribute to finding consensus and agreements that lie somewhere between the ideal and what is possible, on the understanding that it is only by moving forward on outstanding matters and addressing the emerging issues for international trade and the economy that we will strengthen the system and the WTO, in terms of both its negotiating pillar and its regular work.

In this regard, we must reiterate our concern at the fact that the Nairobi agreements on agricultural matters are still not fully implemented, and that, as regards one of the central functions of the WTO, it has still not been possible to resolve the stalemate in the appointment of an Appellate Body member to fill the vacancy left by a previous incumbent who had completed his mandate. It would send out a very negative signal if we were to arrive in Buenos Aires with this issue still outstanding.

Director-General, I would like to conclude by expressing, on behalf of the Chilean Government and delegation, our full support for, endorsement of and confidence in the measures you are taking in order to continue making progress in the complex tasks incumbent upon you, as part of efforts to achieve the Organization's purposes, especially with regard to the Buenos Aires Conference.

8. Barbados (CARICOM)

I am delivering the statement of behalf of the Caribbean Community Group.

The CARICOM Group takes note of the report on your activities since our last meeting. We do recognize that your activities have been extensive and wide ranging. Thank you for this transparency exercise. We also thank the Chair of the various negotiating groups, for their sobering reports on the status of the discussions in each of the areas of negotiation. We also support the call to arms – that is negotiating arms – of the distinguished Minister of Argentina.

The CARICOM Group has kept a keen eye on the various deliberations, and today we would wish to share with you our views. It is hoped that these views could contribute to a collective sense of direction for our journey to Argentina. The CARICOM Group recognizes that the WTO is at a crossroad – a crossroad where we think this organization has the ability to choose to continue to be entrenched in hard positions and thereby contribute to a standstill or we can choose to make incremental by meaningful progress towards a shared outcome at MC11.

This largely and what we heard from you, as well as what we ourselves have recognized, we are of the view that a standstill is in no one's interest. For us, MC11 must deliver clear outcomes which incorporate the development interest of our region. These interests have been clearly said in our national development plans and positions and in our collective regional thinking.

As we seek to advance our work here in the WTO, we would wish to signal that we are not opposed to deliberative engagement on any matter, old or new, that has a positive bearing on the economic and trade circumstances of small, vulnerable countries in our region, and indeed beyond – embracing the entire world.

We strongly believe that is only when we have a clear understanding of one another's intrigues through dialogues with one another that we will be able to chart a pathway towards the common ground that we all have to occupy if we are to forge a shared agenda, an eventual successful outcome and indeed the maintenance of the integrity of the multilateral trading system.

We in the CARICOM Group remain convinced of the correctness of such an approach to effect a win-win outcome for all at the Eleventh WTO Ministerial Conference. The CARICOM Group remains committed to multilateralism and to the attainment of a meaningful outcome for our countries at the Eleventh Meeting.

We hope that these words resonate with WTO Members and that we can work collectively to ensure the advance of mutual interests.

9. Cambodia (LDCs)

In the run-up to MC11, this December, we have less than 5 months to go. The LDCs need to obtain solid and concrete results to allow them to better integrate into the multilateral trading

system in accordance with the LDC status and so that benefits of participation in the WTO translate to our people.

Therefore, the LDC Group calls on Members to do their utmost to respond to LDC submissions, priorities and concerns in the negotiations. We are in the process of developing our submission and priorities for MC11. However, many of our priorities are well-known to the Members as implementation of decisions taken which have not transpired or current implementation is so weak. There is no agreement yet in some areas in the negotiations of importance to LDC. The LDC Group has actively participated by submitting papers and proposals on areas of priority.

First on fisheries, the LDC Group calls for an agreement at the Ministerial Conference in Buenos Aires that actually helps to achieve the objectives set by the international community as part of the 2030 Sustainable Development Agenda and in particular the objective referred to under target 14.6. in respect of the mandate in the WTO. In this regard, the LDC Group has submitted the proposal TN/RL/GEN/193. The group urges Members to consider the proposal seriously.

On S&DT, the LDC group is calling on Members to provide meaningful and maximum flexibilities to the proposal on S&DT which was submitted by the ACP on behalf of the G-90. The LDC Group together with the G90 attempted to achieve results on the longstanding S&DT proposals at MC11. We would like to take this opportunity to express our sincere thanks to Ambassador Yee Woan Tan of Singapore for her able leadership to propose two meetings on 14 and 24 September after the summer break to further discuss about the proposal.

On Agriculture, agriculture constitutes a major sector in most LDCs for GDP and income generation, food security and livelihood security. Therefore, it is imperative to strive to achieve the long-term objective aiming at a market-oriented agriculture trading system. To this end, we need to correct systemic imbalances and asymmetries in the Agreement on Agriculture. For example, some Members with AMS (Aggregate Measurement Support) are able to concentrate subsidies to some commodities beyond their entitlements, hence creating huge distortions in agriculture market prices with severe consequences on the agriculture sector in LDCs. The elimination of AMS therefore can help eliminate such existing imbalances. We need to ensure capping product specific support to avoid production support concentration. Other important issues that require an outcome at Buenos Aires are: Cotton, with a high ambition as submitted by the C-4; a Permanent Solution on Public Stockholding for Food Security Purposes; and a Special Safeguard Mechanism (SSM) in order to protect our agriculture sector from unfair competition from under-priced and subsidized imports.

Concerning the Services Waiver, we continue to urge Members to follow the Nairobi Decision by providing assistance to orient LDC services suppliers to benefit from the notifications made to the WTO so that preferential treatment extended to LDCs is implemented. We also encourage Members to continue to notify preferences for LDCs that address the entirety of our Collective Request to remove administrative barriers to market access of our suppliers.

On Rules of Origin, the Nairobi Decision on Preferential Rules of Origin for LDCs is an important multilateral outcome that will enhance LDC exports to a great extent if it is effectively implemented. It will contribute to the fulfilment of the multilateral obligation and aspiration of doubling the share of LDCs export by 2020.

We appreciate the notifications made by ten Preference Granting Members using the agreed template namely Canada, China, European Union, India, Japan, New Zealand, Norway, Switzerland, Chinese Taipei and the United States of America. On the same note, we would like to urge the Preference Granting Members who have not yet fulfilled this obligation to do so. The LDC Group will assess the received notifications and provide feedback in the Committee on Rules of Origin.

Regarding notifications of import data under the PTA transparency mechanism to be used in calculating the utilization rate, we would like to extend our gratitude and appreciation to Preference Granting Members who have fulfilled this obligation. However, we have noted with concern that only 11 out of 21 Preference Granting Members have notified. Therefore, we urge the remaining Members to notify as soon as possible. Notification of import data from all Preference Granting Members will provide a fair assessment on the level of utilization of preferences by LDCs. The utilization trends and patterns for certain products will definitely signal

areas that need specific attention and intervention from both Preference Granting Members and beneficiaries.

The LDC Group will continue its engagement in the work of the Committee on Rules of Origin in both regular and dedicated sessions. In this regard, we would like to draw Members' attention on the group intention to make several presentations in the next Committee meeting to be held in October 2017 with regards to the potential improvements on the current applied rules of origin for LDCs.

On DFQF, we ask Members to re-double their efforts so that the positive outcomes for LDCs in Hong Kong, Bali, and Nairobi are implemented. We strongly urge Members not to backtrack on the 2005 Hong Kong Decision and 2013 Bali Decision. In addition, the LDC Group wishes Members to reconsider and agree on the elements we introduced in our submission for a clinical examination on DFQF. In particular, we urge that an outcome at MC11 include that all Members providing DFQF treatment for LDCs in compliance with their commitment in Hong Kong and in Bali to provide DFQF for at least 97% of the products originating from LDCs.

Concerning Trade Facilitation, we welcome the entry into force of the TFA early this year and look to the mechanism of S&DT and the flexibility under Section 2 of the Agreement. However, there are several challenges for LDCs to implement the agreement due to capacity constraints in financial, technical and regulatory areas.

As implementation of Category C measures envisages substantial investment, it calls for effective leveraging of international partnership and support. In this respect, we request all donor Members to notify technical assistance plan according to Article 22 of the Agreement. Most of the LDCs have to place national priority on reducing poverty and hunger and achieving structural transformation of the economy, so it is difficult for them to execute the TF Agreement if external resources are not properly leveraged. We emphasize that global partnership be geared especially in addressing behind the border obstacles such as building trade-related infrastructures and enhancing productive capacity.

The WTO shall not also forget the problem of accession of new LDC Members to the WTO, for whom the integration to the institution and to the multilateral system should be easier and quicker. In that respect, the candidate countries should be able to benefit from adequate technical assistance and capacity-building support.

Finally, the LDC Group highly and sincerely wishes MC11 to be an opportunity for concrete, implementable results for LDCs and their development process. We are ready to work with you to obtain a successful outcome in Buenos Aires.

10. Nigeria

Thank you very much DG for your strong and very positive leadership and service to the Organization. It is serving us very well. The only comment we will make with regard to this meeting is that informal meetings both HODs and the TNC – we should have more of them. We should not have less of them. We should increase the number of these meetings as you convene them as we move closer and closer to MC11.

An advice from the Nigerian delegation: greater regularity on your part and greater intensity – so more, not less. That is the advice that you would get from this African. Do it in as many configurations as possible, and count on the support of the Nigerian Delegation.

Nigeria would like to welcome Minister Susana Malcorra to Geneva. We hope to see you more often. You were sort of coy or shy or timid or tentative regarding your frequency to Geneva. So please, the advice from the Nigerian Delegation is that we would like to see you more in Geneva. Come to Geneva as frequently as possible and hopefully you can put as on the straight and narrower partnership with the Director-General and the Chairman of the General Council. We are also hoping that if you visit capitals, you will make a touchdown in Abuja. We will be expecting you as part of a high-level meeting that Nigeria will convene in October.

Next appreciation is to our abled body Chairpersons, every single one of them. I know the complexity of what you are dealing with, I have been there, in and out. Keep at it and thank you very much for your professional reports.

On TNC matters, Nigeria welcomes the report by the Chairpersons. What we believe that we have heard is a balance of all the reports. In there we see nuggets – real gold nuggets. Some nuggets are in silver. Some are not of high quality metals and there is some cause for concern. But we have been there before, and the advice is simply to keep at it. Stay engaged and do not be daunted because we dealt with several other challenges before. It is a different moment in the global economy but this also will pass. It is not the end of times. So keep at it.

As we assess the position of the preparatory work at this stage, what we advise is that you stay engaged. There is always an orientation to risk – risk of being averse to risk, accepting risks and then some calculated steps that have to be taken by Chairpersons supporting the efforts of the Director-General and the Chairman of the General Council as we move ahead. Pragmatism, focus and keep in mind overall the collective dedication to strengthening and fostering the system.

Next point I would like to make is more of a general point. And again I think it goes back to the point that was made by the Minister in the morning. The rules based system is a very old one. It is not new and it is not something that was constructed. It was established in 1995. There was a lot of accumulated wisdom and good practice in this system. We are not reinventing the wheel.

One of the pieces of advice that we will give to colleagues, friends and Members is that there are tested mechanisms that we have used before in the system to get our teeth into the bits and deal with the challenges. First is substantive text based work. Anyone who has an issue – put it to test, open it for discussions discussion and have a good conversation. Second, we have the mechanism of many Ministerials. We should be using them more and more. Third, we have the practice of Friends of the System. We should use them. We should use them also more and more as time goes by. Yesterday and I am hoping that colleagues will report later on a seminar that we had yesterday between the FEDs and the FIFDs – two friends of the system. We should continue to work on this more aggressively and more ambitiously in the system. It is a good thing to do and we should use this mechanism of Friends of the System. We have a constituency groups through the various regional groups and coalitions. We should continue to use them and as we go ahead, we continue to support the position of the Director-General ex officio and those who have been around as long as at least I have been. There is a guardianship of the system that is embedded in that office. We should not be frightened by it but support it and deepen it so the system can continue moving ahead.

It is at this point that I would like to thank Ambassador Ngarambe, the Coordinator for the African Group. He is an exceptionally tough guy. He has not lived in Nigeria but he is pretty tough and a very competent man. He is also dealing with the diversity and the complexity of the African Group. I thank him for his statement – Nigeria does. Just to add that the issue, and I have already signalled this to him so I am not blindsiding him, that the issue raised in the concluding part of his statement regarding the informal meetings of the TNC and the HoDs – this issue was never ever discussed in the African Group. Nigeria is open to having this conversation. We are ready to have it at any time but it was not discussed and you have heard me on my opening statement saying what we think and how we see the informal process proceeding.

So speaking for Nigeria again, and on the record, we acknowledge how the system works in terms of practice. We think that has worked well. It is what we see. We are extremely comfortable and confident in the technical competence and capacity of our Director-General. Nigeria is also very comfortable with the competence and capacity of Ambassador Carim and we should be able to make this work.

On MC11, what we think is that when at the moment everyone is thinking that after Nairobi there was a period of reflection and contemplation, everyone has been thinking a lot, hard and deep and long and there is a bit of turbulence in the system. Pilots when they fly and they encounter turbulence, either they go higher or they go under the turbulence. Our advice is that we should fly above the turbulence. We should not go lower. It is important that for a public good as indispensable as the WTO is when we encounter turbulence – and this would be normal as we go ahead – we don't go low. We don't fly below the turbulence because that would be undermining the organization. We fly above the turbulence and this is where Nigeria will pitch its tent.

What should we deliver? I don't need to belabour the point because I think that Minister Malcorra answered that question extremely well when she spoke. Our objective in Buenos Aires would be to strengthen the system and we should seek outcomes. In some cases they would be substantive. In some cases it will be designing and putting in place work programmes that we will take ahead. This is how we should respond.

I work in the economic management team of Nigeria and the way that we are looking at what we confront both at home in Nigeria and in multilateral institutions – the WTO is important but is not the only game in town – is that this is actually not a bad moment for multilateralism. This is actually a very good moment for multilateralism because it presents everyone with an opportunity to get out of the complacency and the ease of living the good life in which we have been at least multilaterally for a while.

We agree with the Minister of Argentina. Buenos Aires must be a recommitment and an endorsement of the system. The organization has been stress-tested and we believe that it will survive and prosper. We agree with Argentina on focusing and building this into the universality of Agenda 2030. The Nigerian delegation adds what we build into that, our own agenda in the African Union and that is the Agenda 2063 of the African Union.

Nigeria will be co-hosting with the WTO Friends of Investment Facilitation for Development a high-level workshop in Abuja from 11-12 October on facilitating investment in Africa. So you need to know, we said it at the seminar yesterday. We are putting it here. We will raise it also in the Informal HoDs. Nigeria will engage and we shall do so aggressively and ambitiously. Believe me, we should fly above and not below the turbulence.

11. Republic of Korea

First of all, my delegation would like to associate itself with the statement of Switzerland is going to make on behalf of 47 co-sponsors. We would also like to associate ourselves with the statement to be made by Indonesia on behalf of G-33.

As reported by the Negotiating Group Chairs, there have been activities in different areas with varying intensity. We have seen proposals and ideas in such areas as agriculture, fisheries subsidies, trade remedies, services, development, e-commerce, investment facilitation, NTBs and MSMEs.

Indeed, we have worked hard and we should commend ourselves for our efforts. Now, we have the elements to build on in the run-up to MC-11 and beyond. We also have a good understanding of where Members stand. Put differently, we have seen that the positions of Members still remain wide apart depending on their priorities and sensitivities. Consequently, the contours of the Buenos Aires deliverables are not visible yet.

What is more concerning is that it is not likely the current situation will evolve for the better any time soon. We have to be practical and creative to ensure some convergence that can lead to a decent set of deliverables in the form of substantive outcomes or work programs in Buenos Aires.

Now, we would like to share our thoughts on four areas, namely, agriculture, fisheries subsidies, e-commerce and services domestic regulation.

First, agriculture - especially, domestic support and public stockholding for food security purposes - remains a gateway issue. We appreciate recent proposals and ideas. Some of them represent a bold move by certain Members departing from traditional and strongly held positions.

While it is important to produce a substantive outcome in agriculture, we should avoid an approach that requires a disproportionate contribution by only a small group of Members. The only workable way forward is taking an incremental and balanced approach that can facilitate a long-term process of agricultural reform among Members.

Second, fisheries subsidies are an area where there are high expectations from the global community for a substantive outcome at MC11. Seven text-based proposals put on the table present the main elements of potential disciplines. While Members still have significantly differing

views, they at least share a common purpose which is well reflected in the SDG 14.6. We hope we continue to work towards a balanced outcome that disciplines certain forms of harmful subsidies while allowing the sustainable use of fisheries resources for the benefit of all.

Third, e-commerce is an area where the WTO is lagging behind the digital revolution in the real world and the vast opportunities it offers. It has been a year since WTO Members resumed discussions on e-commerce in various configurations. Yet, Members still do not have a meeting of minds on substance or on procedure, although there has been no shortage of well-considered proposals.

Nonetheless, we have to carry on. We support efforts to deliver substantive outcomes in areas of e-commerce that are less controversial and more conducive to agreement. The EU's proposal contains such elements and merits continued discussions. Also, at MC11, a clearer guidance on the WTO's work on e-commerce should be provided in a Ministerial Decision. To this end, we look forward to seeing the General Council play a greater role as a platform for horizontal discussions on e-commerce.

Fourth, on domestic regulation of services, Members have had useful discussions on proposals for various elements of potential disciplines. It would be a good idea to proceed to more advanced discussions based on a consolidated text, while continuing to address the concerns of some Members.

In the interest of time, we are not going to offer specific views on other areas. However, this should not be interpreted as indicating that we view them as less important. We would very much like to see meaningful progress in those areas as well.

Last but not least, MC11 should also be an opportunity to give political guidance on the future work of the WTO. As we all seem to agree, MC11 is not only an end in itself, but also an important stepping stone for our future work. In this regard, it is important to produce a Ministerial Declaration that presents a vision and *modus operandi* of the WTO that are fully reflective of the new global economic realities.

We look forward to having frank and more focused discussions after the summer break to ensure the success of MC11.

12. Dominica (OECS)

The OECS Member States would like to thank you and the Chairs for the efforts at providing transparency and ensuring a broad representation and inclusiveness in the smaller restricted consultations that have been undertaken. Not having participated in these meetings, these efforts are very important to the OECS Member States.

We recall the expression of a strong commitment to of all Members to advance negotiations on the remaining Doha issues in the Nairobi Ministerial Declaration. In that regard, the OECS been monitoring the progress in the more active areas of discussions including agriculture, services domestic regulations, and trade rules. In a few cases we have also been engaged.

In agriculture where the domestic support pillar has been identified as the top priority for MC11, we take note of the state of play on this issue. The OECS share the broad and systemic goals of continuing the reforms through reductions and tighter disciplines on the use of trade distorting subsidies. As Small Vulnerable Economies and net food importing developing countries with no access to the AMS, the OECS deems it critical that the current *de minimis* levels are not reduced.

The OECS has taken note of the lack of progress on public stockholding for food security and on the Special Safeguard Mechanism (SSM). The OECS supports the agreement on an adoption of a permanent solution on the issue of public stockholding for food security purposes. We also strongly believe that this should be complemented by a right of developing countries to a recourse to a special safeguard mechanism including for any item for which public stockholding for food security purposes can be used.

Acknowledging the calls and proposals for work on the market access pillar, we wish to recall and reiterate that flexibility in any tariff reduction modalities will be critical and the SVEs modalities contained in Rev.4 remains the benchmark for an acceptable outcome in this area for the OECS.

In the area of services, the work on domestic regulations has been the most active in terms of proposals and engagement. The OECS has taken note of the proposals submitted and the positions expressed by Members in the discussions. Capitals are still reviewing and considering the recent proposals on domestic regulations and may be in a better position to elaborate our perspectives on them after the summer break. What is important for the OECS is that any new rules on domestic regulations for services on which Members may find consensus, must have special and differential treatment (SDT) and flexibility in their implementation.

In the area of trade rules, the OECS has attached the highest level of priority to the negotiations on fisheries subsidies rules among the remaining Doha issues targeted for MC11. As a collection of small island developing state (SIDS), the OECS Member States have jurisdiction over an extensive area of marine space. This area and its resources contribute significantly to the economies of OECS Member States and are fundamental to the wellbeing of its citizens. The fishing sector, which is largely artisanal, contribute to domestic food security, socio-economic development and have linkages to important sectors such as health and tourism.

In this regard, the OECS Member States are very concerned about the state of global fish stocks, especially in the waters surrounding the Eastern Caribbean as well as the impact that certain fisheries subsidies have on the depletion of stocks. The OECS Member States are therefore fully committed to the sustainable use of marine resources and to the mandates and goals agreed to prohibit subsidies that contribute to overfishing and overcapacity.

The OECS supports an agreement on a robust set of disciplines to prohibit fisheries subsidies that contribute to overfishing and overcapacity. In line with the mandates, special and differential treatment provisions must be an integral part of those disciplines. The level of development of the OECS; the small scale, artisanal and subsistence nature of the fishing sector in the OECS; and the desire of the OECS governments to develop and diversify the sector will require flexibility and policy space.

The OECS is encouraged by the level of engagement on fisheries subsidies in the Negotiating Group on Rules and welcomes the proposals that have been submitted which together provide a solid package of ideas from which to craft a meaningful set of disciplines. The OECS will continue to work with Members including through the ACP Group to achieve this goal and we expect to do so at MC11 in Buenos Aires.

The OECS Member States look forward to and call for continued and meaningful engagement on the above issues after the summer break when our attention will be of necessity to turn to MC11 in Buenos Aires and the need to ensure that we have a successful outcome and one that is development centred.

Chair, a development outcome for the OECS is one which maintains development at the centre of our work with special and differential treatment an integral part of any outcome. It is also one which addresses in a substantive and meaningful manner the needs of small vulnerable economies (SVEs).

Finally we would like to associate ourselves with the statements made on behalf of CARICOM, the ACP, the SVEs and the G33 .

13. Benin (C-4)

The C-4 associates itself with the statements made by Cambodia on behalf of the LDCs, Rwanda on behalf of the African Group, Guyana on behalf of the ACP, and Indonesia on behalf of the G33.

C-4 appreciates the renewed intensity of the negotiations. We will need to maintain this momentum to reach substantial and measurable results, integrating the realities, constraints and needs of all Members, especially the most vulnerable Members of the multilateral trading system. These results should be in addition to those already achieved in Bali and Nairobi to help promote development, poverty alleviation and the achievement of the Sustainable Development Goals.

In Buenos Aires, decisions will have to be made on the substantial reduction and the eventual elimination of domestic support that distorts international trade in agricultural products, including cotton for which C-4 is working hard with other Members to develop a specific text that will use statistical data to assess the quantitative levels of commitments to be made by Members in the different categories or boxes of domestic support.

In any case, the C-4 does not envisage any result at MC11 which does not include a specific result for Cotton, in accordance with the Hong Kong Mandate of 2005. The C-4 also reserves the right to explore all legal ways of resolving this thorny issue of domestic support to Cotton, if there is no result on Cotton in Buenos Aires.

A permanent solution for public stockholding for food security purposes as well as the establishment of a Special Safeguard Mechanism and the adoption of disciplines on fisheries subsidies, are also priorities WTO Members should continue and accelerate their work.

With regard to S&D Treatment, the C-4 would like to emphasize the importance of implementing the mandate contained in paragraph 44 of the Doha Ministerial Declaration, which addresses this issue on the WTO Agreements. In doing so, we should effectively take into account the needs, constraints, and special circumstances of developing countries, particularly the LDCs, with the necessary flexibilities. Trade data and statistics inform and clarify the submissions on S&D.

Finally, the C-4 reaffirms the availability and commitment of the co-sponsors of the Cotton Sector Initiative (C-4) to collaborate with all WTO Members to prepare for a successful MC11.

14. Pakistan

We are going through one of the most challenging times for global trade, not only in terms of declining trends, but also declining public support for trade liberalization in many of the world's most significant economies.

Our response to the challenges should be to intensify negotiations, in all pillars — particularly agriculture, with a focus on domestic support and cotton. For our constituents this remains the top priority.

We are deeply concerned about growing trade distortions in agriculture caused by domestic support policies. Long-term reform of domestic support in agriculture is critical for our farmers, who are 70% of our population and more than 90% of them are subsistence level farmers. We cannot afford to put off action in this area of our work, and there is dire need to find ways to address this issue.

We had concrete deliverables in last two Ministerials, and in our view MC-11 is another opportunity to move collectively in the same direction. A large number of proposals in the agriculture particularly on domestic support provide us hope and good basis for work, domestic support reforms is a long standing agenda that can integrate small farmers in the trading system, we must collectively commit to explore viable options for continuation of this reform process.

We believe that a substantial reduction of trade-distorting domestic support for cotton producers in big economies will be a desirable outcome from MC11.

We recognize importance of public stockholding for a country's food security policy. It is important for poor farmers whose only livelihood is subsistence agriculture. However, in its current form, it has serious adverse unintended consequences impacting economies of other members. A sustainable permanent solution on public stockholding has to work for everyone.

Export restrictions on foodstuffs can have an impact on food security and overall food price volatility. UN Sustainable Development Goals also stressed the need to prevent trade restrictions and distortions in world agricultural markets. Pakistan believes that transparency improvement in export restrictions can be a deliverable for MC11.

We welcome the proposals on domestic support, PSH, Cotton and Export Restrictions. We will engage constructively in negotiations on these critically important issues.

Pakistan considers fisheries subsidies to be a possible outcome for MC11. We appreciate all the text based proposals submitted by the members so far. We have also submitted a proposal along with New Zealand and Iceland. We encourage members to engage in future discussions with open mind since it is our collective responsibility to protect this valuable natural resource. At least we should do our part in eliminating all subsidies to IUU fishing and subsidies that lead to overcapacity and overfishing in line with SDG 14.6. Due recognition should be given to the development needs of developing countries.

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

We are happy with the restart of market access negotiations for industrial goods in Negotiating Group on Market Access. The transparency proposal put forward by the European Union; Hong Kong, China; Chinese, Taipei; and Singapore has a series of interesting elements, including the development of a common internet portal for sharing information, greater consultation with stakeholders and notification of final changes to domestic regulations covered in the WTO's agreements on sanitary and phytosanitary (SPS) measures and technical barriers to trade (TBT).

The principle of special and differential treatment for developing countries, including NFIDCs and least developed countries, must remain integral to all negotiations. The framework for trade reforms must continue to support the economic development needs, including technical assistance requirements, of these WTO members. A key message we want from MC 11, is that Development is here to stay, and its most welcome. It is due to this vital linkage that multilateral trading system can deliver particularly for the poorest and most marginalized.

A key Message that we have to give at Buenos Aires is that together we will build a stable, common prosperous future. In present times multilateral approach becomes even more important, WTO is corner stone of global economy, which has worked for benefit of our people, and we have to strengthen it.

15. Paraguay

We support the intensification of work to draft a package for Buenos Aires with clear guidance for future work. Paraguay has a strong interest that this organization continues to deliver reforms in agriculture. This pillar continues to lag in terms of fair trade and trade liberalization. The treatment of agricultural products in Members' schedules has large imbalances compared to industrial goods. We would continue to demand reform to harmonize commitments among goods and between Members.

Members know that my delegation has high ambitions on agricultural market access that seeks engagement on this pillar in preparing for Buenos Aires and projecting a work program for future work after Buenos Aires.

We heard with interest that more members are considering tariff simplification in agricultural market access as an area that requires work. This is a step needed for future formula reduction.

While trade liberalization has continued progressing in industrial goods through plurilateral like EGA or ITA, the agricultural schedules remain unchanged and present no progress since the Uruguay round, encompassing a large overhang that can be used to to restrict trade at any moment.

Once more, the WTO membership has the opportunity to reaffirm their commitment to expand trade opportunities through agricultural Market Access. This will be a positive contribution to promote the world economy, to counter balance any surge of protectionism and also a contribution to the objectives of the SDG, in term of employment generation, quality of life and above all, poverty reduction.

On domestic support, we would like to see a framework that would promote reforms and the elimination of unfair entitlements awarded to few members. This framework should address trade distortive domestic support like the blue box and product specific support and by no means it

should open the door for the introduction of new programs with market price support. The concept of special and differential treatment must be preserved as the main developmental component of this effort.

On public stock holding, we still think that the interim solution as agreed and as it has been in place over the last four years could become the permanent solution, but we see value in the elements of the Brazil, EU, Col, Peru, Uruguay proposal especially the safeguard calling for prohibition of export and the new transparency requirements.

On SSM, we reiterate our commitment to create the appropriate context for an SSM negotiation. And we truly believe that this context is given by the reduction of tariff in agricultural market access pillar.

Cotton, my delegation will support efforts for substantial reduction of trade distorting support on cotton and any effort to reaffirm S&D treatment for LDCs.

In the other issues, we have strong interest in deepening the dialogue in e-commerce, digital economy, investment facilitation and especially, to foster the participation of Micro, Small, medium enterprises in the global trade. We have co-sponsored numerous documents in those issues, expressing our constructive engagement towards MC11.

From our perspective, those issues should become an important component of a development-oriented agenda at the WTO. We encourage Members to work together to adopt, at the Ministerial Conference in Buenos Aires, a Ministerial Decision creating a Work Program that addresses the specific needs of MSMEs, and as well to improve the current programme for electronic commerce, with a clear and development-centred negotiating mandate.

We have a positive and constructive approach on these areas and hope that they will also contribute to reinforce and update the WTO agenda, which is a healthy sign *vis-à-vis* the international trade community.

Having said all this, Paraguay will continue to be engaged on all efforts that may bring us to success and results in Buenos Aires. And make us prove once more in that beautiful city that WTO and the multilateral trading system are the way of doing business for the benefit of all without leaving anyone behind.

16. Morocco

Morocco is making a statement under this TNC meeting and the Heads of Delegation meeting as well. Morocco would like to associate itself with the statements made by Rwanda on behalf of the African Group and by Cambodia on behalf of the LDCs. Morocco furthermore would like to salute the presence amongst us of the Minister of Argentina – Susana Malcorra and also for her highly inspirational speech this morning. We thank you for presenting this report to us and we see that we have a number of updates here.

Morocco within the Arab Group and the African Group wishes to continue with the negotiations following Nairobi and in the lead up to MC11. If we look at the state of play of the negotiations, we only have four months remaining until MC11. We cannot yet say that we can have full success for Buenos Aires. We still need to take into account the development priorities of the LDCs and the more vulnerable economies.

We see a number of new subjects such as Investment Facilitations, MSMEs and e-commerce. The proposals seem to be for a digitised borderless economy for which the WTO does not yet have new rules that have been defined. We therefore recognize that there are opportunities in Buenos Aires but there are likewise a lot of obstacles and challenges we must arise to given the presence of the very deep and broad digital divide, lack of capacity and lack of digital industrial culture in a number of countries. By doing this, we would be able to have collective gains for developing countries – especially the LDCs.

We should focus on the Doha mandate on domestic support, SSM, public stockholding, fisheries subsidies, cotton, and S&D treatment. All of these must be maintained as cross-cutting priorities in the Eleventh Ministerial Conference.

Morocco furthermore would like to reaffirm the great importance of SDT in economic development. We call upon all Members to readjust their ambitions to arrive at convergence and to consolidate the achievements of the multilateral trading system.

Morocco shares with you the wish to see this organization continue playing its very important role. We hope that there can be convergence through the meeting in Marrakesh in October. We wish to be able to pave the way for success in trade negotiations before we go to Buenos Aires. It would be easier in this way for our hosts – the Argentines.

17. Peru

Peru also would like to express support for strengthening the multilateral trading system because we firmly believe that international trade is a tool for development and that the WTO is the mainstay of global trade relations.

As regards the concerns expressed about progress in the negotiations and the future of this Organization's work, Peru acknowledges that there are indeed genuine threats that may affect this Organization's ability to make a greater contribution to economic development. We therefore understand why some Members have a sceptical or pessimistic view about the outcomes of the Buenos Aires Ministerial Conference (MC11).

Nevertheless, Peru will redouble its efforts to achieve results at MC11 and beyond because Buenos Aires is not the end of the road; although some regard the glass as half empty, Peru has chosen to view it as half full. Accordingly, we have expressed our opinion on almost all the items on this Organization's work and negotiating agendas.

To cast more light on Peru's commitment, I should state that together with Paraguay we have submitted a proposal to achieve gradual, flexible results on access to agricultural markets (JOB/AG/93). Additionally, together with the European Union, Brazil, Colombia and Uruguay, we have submitted a proposal for the agriculture negotiations, with a view to reducing trade distorting domestic support, debating a permanent solution to public stockholding for food security purposes, and establishing commitments for trade in cotton (JOB/AG/99). We are glad to see that other Members have also submitted proposals for the agriculture negotiations. We are aware that mere submission of proposals does not guarantee an outcome, but it is nonetheless an essential step in that process.

In particular I should like to stress that Peru has submitted a proposal to eliminate certain fisheries subsidies. The proposal is comprehensive because it includes the elimination of subsidies that contribute to illegal, unreported and unregulated fishing, as well as disciplines to prohibit subsidies which contribute to overcapacity and overfishing, including provisions for the treatment of small scale artisanal fisheries, as established by our Heads of State and Government in goals 14.6 and 14.b of the 2030 Agenda for Sustainable Development (TN/RL/GEN/187, as revised). This reflects Peru's long standing, unstinting effort to drive negotiations on these matters forward.

Against that background, while acknowledging the difficulties and challenges of finding common ground, Peru is pleased to find confirmation in the reports of the Chairs of the Negotiating Groups that there are other negotiating proposals and initiatives on the table representing the Members' varied interests. In particular we are pleased to note that we will soon have a document setting out all the proposals on fisheries subsidies. We are sure that that document will prove to be a useful, functional tool in facilitating analysis, focusing discussions and moving the negotiations forward.

With just a few months remaining until the Ministerial Conference in Buenos Aires, we would like to restate the criteria that should guide all negotiating processes from now on:

- Approach the negotiations with creativity and pragmatism. We should be prepared to utilize all possible negotiating formats.
- Conduct negotiations based on texts, preferably a single text that combines all proposals, without prejudging the outcomes or ruling out new contributions.
- Establish timelines for discussion of the issues in order to make efficient and effective use of the short time remaining before MC11.

- Identify the possible outcomes on the basis of the merits of each issue without making outcomes subject to convergence in other areas.

Peru reiterates its staunch commitment to continue working alongside all Members and to redouble efforts to ensure that, at MC11, the WTO makes a meaningful contribution to making trade bigger and better, especially in terms of sustainability of fisheries resources, through the adoption of disciplines on fisheries subsidies, to the benefit of all.

18. Ecuador

Ecuador notes and welcomes the reports submitted by the Director-General and the Chairs of the Negotiating Groups on the activities and consultations that have taken place since our last meeting in May. We also welcome the Argentine Minister Susana Malcorra, who is here with us this morning.

As this will be my final statement here, I would like to wish you success in ensuring that this global Organization functions effectively so that the important activities that it performs can produce viable and vital outcomes to the benefit of fair and transparent world trade, which is not an end in itself but a means to the economic and human development of our peoples. In this connection, we hope for concrete outcomes at the forthcoming Ministerial Conference in Buenos Aires.

Allow me to make a very personal comment, something I would never have imagined back in August 1991, when as Minister for Industry and Trade I initiated the procedures for accession to the GATT, a process that took some time before, on 21 January 1996, we joined the WTO. My first thought was simple: there was no logic in the fact that Ecuador, at the time the world's leading exporter of bananas and a major exporter of many other goods such as prawns and seafood, coffee, cocoa and flowers, was not party to the GATT, when we already had an inkling of looming difficulties in gaining access to certain markets which, following a lengthy trade dispute, ended with the imposition of quotas. I could not resist pointing this out while noting that, 25 years later, fate gave me the welcome opportunity to become a member of this body, representing my country. *Omnia per ipsum facta* and now it truly humbles me to see that my initiative was sound and necessary, while at the same time I am grateful for the knowledge I have acquired and the experience I have gained on this General Council.

In relation to the path that the various negotiating groups should follow, Ecuador reiterates that the mandates set out in paragraphs 31 and 32 of the Nairobi Ministerial Declaration are essential guidelines for work in the immediate future. The guidelines, adopted voluntarily by Members following arduous negotiations, summarize the efforts made to maintain the reliability of the world trade system which, when regulated in an orderly fashion, aims to be fair by considering the different levels of development of each and every one of its Members. Promoting these goals lends credibility and permanence to this Organization.

We hope that the forthcoming Ministerial Conference will produce outcomes that are balanced and therefore acceptable to all Members. They must be made visible primarily in the agricultural pillar, which is hugely important to many countries, including Ecuador. It is highly probable that those outcomes will set the level of aspiration in other areas that are also of special interest to Members. Hence we support what should be a comprehensive reform in agriculture while maintaining our position that the discussions must focus on subpillars such as domestic support and market access, since in our view the 2008 Agricultural Modalities document, negotiated over more than a decade, can indeed form the basis of the negotiations.

Additionally, we consider it appropriate to deepen discussions leading to a current, permanent solution on the issue of public stockholding for food security purposes and the special safeguard mechanism. This requires the necessary flexibility in Members' positions, especially if concrete outcomes are expected.

In relation to negotiations on non-agricultural market access, we reiterate that we are convinced about the negotiating mandates, given that the proposals must not reduce the public policy spaces that Members have and require. We call for them to refrain from the imposition of further obligations on the least developed countries while retaining both flexibilities and special and differential treatment.

Turning to negotiations under the services pillar, there has been an intense debate on national regulation. Since Ecuador does not have a large demand for services, it is of the view that deeper discussions are required about the elements that should comprise the disciplines for negotiation so that an explicit mandate can be given; however we repeat that negotiations in this area must not compromise the space that States have to regulate through their own policies in order to encourage development.

In relation to the negotiations on fisheries subsidies, the submission of seven proposals by various Members, alongside the theme-based sessions organized to analyse them, illustrate the high level of commitment in this area. We therefore consider the Negotiating Group Chairman's initiative to draw up an analytical table of the proposals as a useful tool to move the negotiations forward. While supporting the issuance of regulations within the multilateral framework on fisheries subsidies, in relation specifically to small-scale fishing among other necessary derogations, we reiterate our support for the intensification of discussions with a view to securing an outcome that takes into account the importance of this sector to development priorities, poverty reduction, and livelihood and food security concerns.

We have participated in debates on electronic commerce, investment facilitation and the role of SMEs, in which Members have shared their experience and submitted proposals that help us understand the constant changes in these areas which are today's development drivers. We are of the view that the proposals submitted on electronic commerce do not entail market access commitments and that there is a mandate under the Work Programme on this matter that can be updated.

As I noted previously, on a personal note, I conclude my duties by addressing you, Mr Chairman, colleagues, and friends. My experience as Permanent Representative of Ecuador leads me to point out that the journey through the highly specialized and sometimes conflicting trade issues that this Organization addresses has for me been an exercise in putting theory into practice. I hope to have made some contribution to these complex negotiations.

You can count on our participation in the search for consensus that satisfies all Members and deepens the crucial multilateral negotiations.

19. Singapore

In respect of a suggestion by some Members for an open conversation on the format of the informal HODs, my delegation's view is as follows.

We appreciate that the DG is responding to the repeated and consistent calls from the Membership for transparency and inclusiveness in our work.

We find that the informal HODs is a pragmatic and efficient platform for achieving this.

It is fully within the DG's prerogative to convene informal HODs. We need to go no further back than MC10. The Nairobi Ministerial Declaration recognised the different views among the Membership on multilateral negotiations (paragraph 30). Ministers therefore requested, inter alia, the DG to report regularly to the GC on efforts to preserve and further strengthen the negotiating function of the WTO (paragraph 33)

Even without paragraph 33 of the Nairobi Ministerial Declaration, my delegation appreciates the informal HODs platform, as the alternative would have been a return to the small group Green Room process where the majority of the Membership is excluded, or imperfectly represented.

The DG has convened two meetings in response to concerns raised by delegations regarding the TNC, and also to hold more focused discussions. This statement is relevant to both meetings. In the interest of efficiency, I will deliver it only once.

Regardless of the name or form of our meetings in the WTO, the focus should always be to engage constructively on moving the multilateral trading system forward.

It is our collective responsibility to ensure that the rules-based multilateral trading system functions well and that the WTO's core work in addressing trade distortions, promoting the smooth flow of global trade and enabling development is not unduly impeded.

Developments in the course of the first semester are a challenge to the multilateral core of the WTO. The controversial adoption of the GC agenda in May 2017 encapsulates the contestation of ideas, process, and the WTO's future which the WTO has been undergoing since before Nairobi. This has longer term, systemic implications on the functioning of the WTO, and the preservation of the WTO way, which has hitherto been consultative, inclusive and collegial.

In several negotiating bodies, substantive consideration of proposals have been stymied by procedural debates. Where substantive discussions are indeed taking place, a lot more willingness to make compromises is needed in order to find consensus and forge ahead.

On the trade monitoring front, transparency obligations need to be taken more seriously in order for the system to function as it should. We note that only 40% of the Membership had responded to the most recent monitoring report from the DG on Trade-Related Developments.

The dispute settlement pillar of the WTO faces a myriad of challenges, including issues related to workload and resourcing. Members' inability to agree on launching a process to fill the Appellate Body positions will add further stress.

The WTO is under strain. If left unchecked, the lack of a strong, rules-based system where all Members can engage in good faith will hurt all Members, with disproportionate impact on small and developing countries, in particular the LDCs.

MC11 is the next milestone for the organisation. The Membership will of course devote time and energy to delivering a successful Ministerial Conference. But the broader questions and systemic issues confronting the organisation also merit serious reflection and discussion.

Singapore will do our best to contribute to the WTO's continued relevance and success. We have put forward a number of proposals, including on Transparency in Agriculture Export Restrictions, Advancing the E-Commerce Work Programme, and addressing transparency and non-tariff barriers for MSMEs. We have also been engaging on the other proposals put forward by Members, and note the ongoing momentum on issues such as fisheries subsidies and agriculture. We stand ready to also contribute in working through the larger systemic issues as an old Friend and Supporter of the rules-based multilateral trading system.

20. Mexico

Mexico is encouraged to learn from the reports of the Chairs of the negotiating bodies that in some groups, especially fisheries, discussions have been enriched by seven new and revised proposals that will soon be included in a consolidated text. In other groups such as agriculture however, despite strenuous efforts and new proposals, positions have not changed and have even become more entrenched.

Mexico is concerned to note that we have only around three working months left before our meeting in Buenos Aires. In the run-up to Buenos Aires it is important for us to be able to make an evaluation capable of providing us with policy guidance that puts us on the road to achieving positive outcomes at MC11.

Mexico hopes for an outcome on domestic support, including on the matters of public stockholding, fisheries and domestic regulation in services, and for incremental steps in other issues.

We would also like to thank Ambassador Álvaro Cedeño for his report on the activities of the FEDs. The Group's work has undoubtedly contributed to improving Members' understanding of electronic commerce and the possible actions that this Organization could take to boost its development.

However, we are concerned that discussions under the work programme might be limited solely to the extension of the moratorium and may not allow us to secure outcomes that improve across-the-board understanding of this matter.

We are convinced that the promotion of electronic commerce is a tool that can, if handled properly, become a powerful driver of development and growth, particularly by incorporating SMEs into international trade. The WTO cannot ignore reality, a reality that is already being addressed in other international forums and negotiating spaces. The upcoming Ministerial Conference provides an excellent opportunity to obtain positive outcomes on this matter.

While I have the floor, I would like to thank Ambassador Marcelo Cima for the report he submitted concerning talks on facilitation of investment for development.

Mexico has participated actively in the three meetings, sharing its experience both on issues such as the regulatory framework, which drives transparency and predictability, and on recent progress in setting up electronic portals that foreign investors can use to carry out administrative formalities.

We repeat that Mexico is ready to play an active role in the meetings scheduled for after the summer break with a view to assessing the extent to which the WTO could promote actions to facilitate investment.

We would also like to thank Ambassador Héctor Casanueva for the statement he made on behalf of the Friends of MSMEs group. The full incorporation of MSMEs into global value chains and therefore into international trade flows is one of the Mexican Government's priorities.

We are convinced that the WTO has an important role to play in this task and accordingly we are committed to participating in these talks, just as we were to the four sets of talks that have been held so far.

We should like to close by thanking Switzerland for submitting the joint communication on behalf of more than 40 Members, including Mexico who, concerned at the current state of play both in the negotiations and in some aspects of our regular work, reaffirm our commitment to the centrality of the WTO in the multilateral trading system and to achieving an outcome in Buenos Aires.

21. Indonesia (G-33)

While welcoming Member's contributions to move the negotiations in Agriculture forward, the Group wishes to reiterate that PSH and SSM remain priorities under the Nairobi Decisions and Declaration, and the Group therefore urges Members to engage constructively and in good faith in order to deliver these development priorities in MC11.

A permanent solution for the PSH and accessible and effective SSM are important tools needed by the developing members, SVEs and LDCs for sustaining investments in agriculture for food security, livelihood security and rural development.

As the time is currently very critical, it is important for Members to demonstrate their constructive engagements and flexibilities. In this regard, the Group is of the view that it is in the best interest of Members to faithfully follow our ministerial mandates under the Nairobi and Bali Ministerial Decisions as well as the General Council Decision of 27 November 2014, and to intensify discussions with a view to deliver a Permanent Solution for PSH and establish SSM in Buenos Aires.

The G-33 is also of the view that Chair and Members must frame our work after the summer break that would ensure no single technical matter on SSM and PSH is left unturned and unaddressed before our ministers gather in Buenos Aires, and that all issues of Members critical to their decision making should not be left out of the agenda of MC11 so as to ensure success.

The Group shall continue to work closely and constructively with you, Chair, and Members to make full and best use of the remaining time so that PSH and SSM are successfully delivered in Buenos Aires.

22. Indonesia

First of all, Indonesia would like to associate itself to the statement would be made by the delegation of the Philippines on behalf of the ASEAN Member States in the subsequent informal HOD meeting.

My delegation welcomes engagements from Members by submitting contributions on various remaining DDA issues, such as in the negotiations of agriculture, fisheries subsidies, Special and Differential Treatment (SDT), as well as in domestic regulation in Trade in Services. My delegation also takes notes various initiatives of some Members to discuss issues other than the remaining Doha issues.

With the MC11 set to take place in less than five months from today and Members are yet to close divergent views in various negotiation issues, Members need to be realistic and at the same time demonstrating strong political wills and flexibilities to deliver tangible, credible and balance outcomes in Buenos Aires. In this respect, my delegation is of the view that Members need to focus its resources on the remaining Doha issues, particularly on issues which will deliver development benefits to the whole Membership, and where progress is possible.

Taking those into consideration, Indonesia believes that issues such as Agriculture, Fisheries Subsidies Discipline, Domestic Regulation, SDT may become strong candidates of Buenos Aires deliverables. For that purpose, Members have to redouble efforts and to intensify the works on those issues immediately after summer break. Indonesia, however, wishes to reiterate that SDT for developing and LDCs Members, shall remain an integral part of any outcomes in Buenos Aires.

While on other remaining Doha issues, Members may take incremental approach.

My delegation is of the view that the process that will lead us to Buenos Aires is just as important as the substance. In this respect, some important points need to be seriously considered, as follows:

- a. Our remaining works need to be guided by centrality of development with the principles of SDT at its cores;
- b. The process that we are going to undertake after summer break until Buenos Aires shall be open, transparent and inclusive;
- c. Any Buenos Aires deliverables shall be discussed substantively in Geneva, with the involvement of Senior Officials from the capital if necessary;
- d. Buenos Aires should not be a negotiating forum for the Ministers.

Finally, Indonesia stands ready to closely work with you Chair and also with the whole negotiation Chairs and Members, to deliver realistic, credible and development-centred outcomes in Buenos Aires.

23. Zimbabwe

From the outset we associate ourselves with the statements delivered by Rwanda on behalf of the African Group, Indonesia on behalf of the G33, Benin on behalf of C4 and to be made by Guyana on behalf of the ACP.

We appreciate the comprehensive reports by the chairs of the various committees and by the Director General. My delegation is however concerned about the state of play in the DDA negotiations, especially as it is now less than three working months before the Ministerial Conference.

My delegation reaffirms its support for the DDA and that we should give priority to outcomes on; agriculture domestic support including cotton, Special Safeguard Mechanism, Public Stockholding for Food Security Purposes and Development (SDT), in line with paragraphs 31 and 34 of the Nairobi Ministerial Declaration.

It is our position, that the MC 11 outcome on domestic support should include the elimination of AMS support, capping of the product specific support in order to eliminate concentration. We should also preserve the flexibilities in the revised version four modalities text of 2008.

We are concerned that current proposals to reduce trade distorting domestic support are based on the Value of Production and do not address the imbalances of the past round of negotiations. The proposals award more policy space or SDT to major developed country subsidisers than developing countries.

On Public Stockholding for Food Security Purposes, the deadline for an outcome is the upcoming Eleventh Ministerial Conference, we would therefore like to have a permanent solution by this conference. Our view is that the G33 proposal should be the basis for that solution and not the Peace Clause, which has burdensome and onerous obligations. We are also of the view that there should be no linkages between Domestic Support and Public Stockholding for Food Security Purposes as the latter has a separate and clear mandate.

Regarding SDT, the mandate of paragraph 44 of the Doha Declaration is very clear, to this end members should not avoid this mandate by introducing approaches that are divorced from the DDA architecture.

It is concerning to note that there continues to be divergences in all pillars of the DDA negotiations, on matters of principle, mandates, approach and substance. Instead of giving focus on the remaining issues of the DDA some members are frustrating efforts to have meaningful DDA outcomes at MC11 by introducing new issues for negotiations across the board when there is no mandate to do so. Our position is that, in line with paragraph 34 of the Nairobi Declaration, consensus is required before we can negotiate new issues such as, E-Commerce, Investment Facilitation, NAMA- TBT/SPS transparency issues and MSMEs. Our priority is conclusion of the DDA.

The replication of the template on Trade Facilitation Agreement transparency measures to Domestic Regulation and NAMA negotiations, Investment Facilitation and E-Commerce by some members is not practical and is beyond the existing mandates. My delegation will not support attempts to diminish our right to regulate, intrusion into our domestic processes and introduction of burdensome and cumbersome transparency obligations and exposure of our regulatory architecture to multilateral oversight.

To this end, we call upon members to focus on work where we have mandates and to take into account the different levels of development and interests of the most vulnerable and small economies amongst us. Members should engage constructively in order to have meaningful and balanced developmental outcomes at MC11.

It is time that we seriously engage on matters of process to ensure we do not have a repeat of the undemocratic processes of past Ministerial Meetings where a handful of members made the decisions on behalf of the full membership.

The WTO should adhere to basic principles of full participation, inclusivity and transparency (FIT) to ensure that all members are represented and own the outcomes.

We need to work towards completion of our work here in Geneva so as to avoid overburdening the Ministers in negotiations in Buenos Aires. Any issue for adoption by Ministers at the Ministerial Conference should be agreed to by members well before the event. To this end, we need to take a cue from the "gentlemen's agreement" made in preparation for MC7 and MC8 Conferences where members came to the understanding that any agenda for the Ministerial Conference should have gained consensus of members by at least 6 weeks before the Ministerial Conference.

On the HODs format, while we appreciate the explanation given by the Director General, we think that there is merit in the proposal for consultations so that we have the same understanding going forward.

My delegation stands ready to engage constructively in order to have meaningful and balanced outcomes in Buenos Aires.

24. India

At the outset, my delegation associates itself with the statement of the G33.

India, along with a large part of the membership, continues to believe that implementation of the Declarations and Decisions adopted at Doha and the Ministerial Conferences held thereafter, is the only way forward to conclude the DDA. The development dimension is at the core of the DDA and issues of interest to developing countries and LDCs must be addressed on priority.

Ministerial Declarations are an article of faith which must be fulfilled with utmost seriousness. If we fail to do so, the credibility of the WTO is at risk. The successful conclusion of the Doha Round is a shared responsibility of all WTO members. This is also in our collective and individual self-interest.

In this context, I would like to enumerate India's priorities, particularly in the area of agriculture where the inequity and asymmetry in the rules, is particularly pronounced.

Concerning Public Stockholding, there is a clear mandate to arrive at and adopt a permanent solution on Public Stockholding (PSH) for food security purposes by December 2017. The G33 has recently submitted a textual proposal to amend the AoA for a permanent solution at Buenos Aires. The G33 has also stated its openness to engage on specific concerns of some members.

With more than eight hundred million hungry and undernourished people in the world, the problem of ensuring food security remains an enduring challenge especially for developing countries. Many developing countries face daunting challenges, including a stagnant farm sector, inadequate domestic food stocks, volatility in food prices in international markets and low purchasing power among the poor and needy for buying food. This is an issue of interest not only to India, but to a large number of other developing countries as well. We cannot imagine a substantive outcome at MC11 without a permanent solution on food security.

My delegation would like to express disappointment at the linkage being drawn between PSH and the domestic support discussions. The mandate on this is absolutely clear. The two have to be kept on separate tracks and efforts need to be accelerated to arrive at a permanent solution on food security.

In this context some members were not willing to engage on the grounds that some of the proponents were not notifying agricultural domestic support. As many of you would be aware, India has recently done so up to 2013-14.

Regarding SSM, the Nairobi Ministerial Decision on SSM for developing members reinforced and strengthened the mandate in the Hong Kong Ministerial Declaration. The G33 has demonstrated a great deal of constructive engagement through its successive submissions.

We are concerned that some Members are seeking to silence the issue refusing to engage and by drawing linkages with market access.

On domestic support, the Agreement on Agriculture favours a few developed members and provides them with huge space and flexibilities to subsidize agriculture including the possibility of concentrating subsidies on a few products. Some of the proposals may in fact further widen the imbalance.

While there are several proposals in this area, the discussions indicate that there is considerable divergence in Members' positions. China and India have recently made a submission on AMS, the most trade distorting of all categories of domestic support. It is our conviction that the Doha Work Programme can best be taken forward by reducing some of the inequities built into the WTO rules in favour of the developed Members. It also illustrates clearly the adverse effects of concentration of AMS on a few products, which no other proposal on the table addresses. Elimination of AMS, we believe, should be the starting point of reforms rather than seeking reduction of subsidies by developing countries, some of which like India provide a subsistence amount of US\$260 per farmer per annum.

Special and differential treatment for developing countries is a very important part of the WTO's mandate and of the DDA and this, I must emphasize, is a must have.

On cotton, we also support the proposal of C4 to eliminate AMS on cotton, while retaining the existing *de minimis* limits of developing countries.

India has always been a supporter of special dispensation for LDCs and provides 98.2% tariff lines as duty free or preferential access to LDCs with applicable tariff on all cotton lines at zero. In addition, we are implementing a major technical assistance programme in 7 African countries, including the C4 for the last 05 years to improve the productivity of both the agriculture and textile part of the cotton value chain. We have also provided one of the most liberal packages for services waiver, including complete waiver of visa fees.

With regard to services trade, services negotiations at the WTO have lagged behind. India's initiative on trade facilitation in services is an effort to address this issue and we are happy that Members have engaged actively on it. We would soon be coming out with a revised version on the basis of feedback of Members.

Concerning new issues, we would like to highlight paragraph 34 of the Nairobi Ministerial Declaration that states that work where results have not yet been achieved should be prioritised. However, some Members are also keen to begin to identify issues for multilateral rule-making and some see it necessary to promote the expansion of e-commerce. However, we strongly feel that the gains from E-commerce should not be confused with the likely benefits of rulemaking in E-commerce. In India, we have seen the benefits of E-commerce both in use of electronic platforms for goods trade and convenient delivery of services. We support its growth and value the benefits that it brings to consumers. But at the same time, we see no additional benefits of taking disciplines on E-commerce at the WTO and cannot agree to restriction on policy space in an arena where technology is rapidly evolving along an uncertain part leading to an era of M2M communication and Industry 4.0.

In fact, most of the proposals at the WTO do not have elements that can lead to growth of E-commerce. On the other hand, they will impose constraints and prevent companies in developing members from growing to compete with global behemoths as the existing non-level playing field will be frozen permanently against their interests and will preserve the status quo. We, therefore, see merit in continuing with the existing work programme and the progress of bottom up approach for productive discussions and remain open to any exploratory discussion in the relevant WTO bodies as per the existing mandate. We would not agree to any approach that takes away the role of the relevant bodies in discussing ecommerce related issues as per the Work Programme which has been reiterated in successive Ministerial Decisions.

To conclude, we are concerned that some of the issues being pushed for outcomes at MC11 seem to address issues other than those on which mandates already exist and which have not yet been implemented.

It is problematic that the outcomes or package sought to be taken forward for MC11 seem overwhelmingly to be constituted of new issues. These issues like e-commerce, MSMEs and investment, we believe firmly, are highly premature for rule-making as the membership first needs to deal with the gateway issue of the extent to which these subjects actually lie within the domain of the WTO.

Attempts are also being made to relegate development issues which have been discussed for several years and need to be implemented on priority, to the background.

I would like to reemphasize that India cannot envisage an outcome at Buenos Aires which does not include a solution on PSH. We also expect that the process at MC11 is transparent, inclusive and we hope only mature texts will be put before Members at Buenos Aires.

Some Members have spoken on the role of informal HODs.

Our understanding is that a forum for negotiations can only be created by the decision of the Ministerial Council. Further the mandate of the TNC flows from the decision of the Ministers in Doha in November 2001. The TNC was set up to supervise the overall conduct of the negotiations under the guidance of the General Council.

The TNC, therefore, together with its bodies remains the only negotiating forum at the WTO and no other parallel negotiating forum can be created. Therefore, we believe that as in the past, the DG in his capacity as Chair of the TNC is free to report to the GC on his travels and meetings under the framework of the TNC.

In light of this overarching remit of TNC we would like to hear from the DG, the need for having an informal HODs to be chaired by him.

Let me also assure you that India stands committed to strengthening multilateralism and constructively engage in discussions on all areas of work in the WTO.

25. Zambia

Zambia associates itself with the statements delivered by Cambodia on behalf of the LDC group, and Rwanda on behalf of the African Group.

Let me highlight a few points on some of the topical issues as we prepare for the Ministerial Conference.

On Agriculture, I will not get into so much detail as to why this is important because this is one sector which is extremely critical for our country in terms of food security and economic diversification. We are being mindful of the difficulties caused by the current political landscape in terms of addressing key elements in agriculture particularly the Domestic Support pillar. This pillar still remains an area of significant interest to Zambia as we have placed agriculture as one of the main drivers of our diversification agenda. Therefore, we strongly support the call to seek concrete results achieved on domestic support, public stockholding, special safeguard measures and cotton at the MC11.

On e-commerce, as it has been rightly highlighted by many, the digital gap between developing and developed countries is so wide that it requires efforts to be directed at narrowing the gap rather than engaging in a discussion on rule-making whose implications or policy space is not known at the moment. As the Chair may be aware currently, these developed countries have many challenges which include limited or non-existent infrastructure, consumer protection issues and comparatively weak legislative environment just to mention a few that need to be addressed as a matter of priority. It is for these reasons that discussions on e-commerce should be directed at addressing these challenges as opposed to rule-making. In keeping with the mandate in paragraph 34 of the Nairobi Ministerial Declaration, it is important that any decision to launch negotiations multilaterally on issues identified for negotiations should be agreed by all Members. With that in mind, my delegation supports the view that we should not proceed with any work outside the current work programme on this matter.

On Special and Differential treatment, Zambia supports the proposal introduced by the G-90 during the CTD Special Session meeting held last week. It is our sincere hope that Members would take time over the summer break to fully internalize the submission. It is our hope that post-summer break, we can have positive and progressive engagement on the proposal.

Lastly, on process, it is important to maintain an inclusive, transparent and predictable process, where the voice of every Member is heard in order to protect the credibility of our organization.

In conclusion, in our view, the next Ministerial Conference should provide a good basis for us to review progress made since Nairobi. Implementation of outcomes from the Ministerial Conference should therefore form part of the agenda to take stock of what we have achieved since December 2015 and how we hope to move our work forward under the Doha Round.

26. Bolivarian Republic of Venezuela

We echo the statements made by Indonesia on behalf of the Group of 33 and by the Dominican Republic on behalf of the Informal Group of Developing Countries.

I would like to open my statement by briefly summarizing events since our last meeting. Today there are of course a large number of proposals on various issues on the table. However, in Venezuela's opinion, except where the issue of fisheries subsidies is concerned, most of the

documents on the table show no progress. With the summer recess imminent and only three viable working months left until December, the outlook for concrete results is uncertain and discouraging.

At previous meetings we have referred in detail to the issues that are a priority for Venezuela. If I may very quickly summarize, as a net food importing developing country, our position across the board on all issues is to safeguard the principles of special and differential treatment, less than full reciprocity, and protection of the policy spaces necessary to implement industrial development, food security, poverty alleviation and to overcome social, economic and structural inequalities, whether the issue be agriculture, services or fisheries subsidies.

That being said, I would like to focus my statement on two issues that I regard as crucial in the current economic situation.

The first is the need to recognize development as a cross cutting priority in our work. In an increasingly globalized and interdependent world, the problems that some fail to address inexorably become problems faced by us all. The things that we refuse to see, on the ground that they are a matter for someone else, inevitably have to be confronted sooner or later, not only in this trade oriented Organization, but in any policy space, whether in relation to refugees, displaced persons, or natural disasters to name but a few of the issues that are emblematic of interdependence.

One thing that this Organization has in its favour is the high level of technical expertise of its Delegates and Secretariat. Their preparatory work and the seriousness with which they address all issues are exemplary. However, at times there is seen to be some arrogance in dealing with the unresolved issues from the Doha Development Agenda. There would seem to be a degree of indifference on the part of some Members towards what in our view they regard as an insignificant, far off or unknown matter. I am referring to the issue of development.

On the question of how to move forward, we are convinced that it is in everyone's interest first to address development and remedy the current imbalances in order then to be able to move on to new issues. I reiterate that today the problems faced by some are in fact problems faced by all. In Venezuela's view there is a need to develop empathy towards development issues and that is only possible by tackling those issues head on, facing up to their true dimension, on the understanding that trade can be an important instrument for development only if the conditions are right and the existing inequalities are overcome.

This leads me to the second point we want to address today, namely procedures. It is only through a dialogue based on empathy, in other words, a genuine understanding of the reality of another person's situation, that we will be able to tackle two opposing positions that have been dogging us since Nairobi, namely the applicability of the Doha Round versus New Issues. To that end trust is vital, and trust is only possible if we can ensure transparent and inclusive procedures in which we all feel taken into account equally.

On another matter, we would like to place on record our systemic concern at the lack of agreement on filling the vacancy that currently exists in the Appellate Body.

Finally, the Delegation of Venezuela would like to express its solidarity with the statement made by the African Group.

27. Russian Federation

Much work was done but we are still far from being able to say that we have some deliverables for MC11 in hand.

In Nairobi, our ministers pledged to continue to address all the core issues of contemporary agenda through negotiation process. I take it as strong allegiance to the WTO norm-setting function.

In my personal assessment of negotiations, I would like to make the following comments on sector perspectives.

There is some promising glimpse of hope in agriculture. Nonetheless, the progress is subtle. Members' positions are diverse and even conflicting. On domestic support, we see complicated dilemma: whether to have a monetary cap or percentage of a production volume.

Transparency in export restrictions commands wider support and matures to a decision. PSH is hostage to non-flying proposals. A more constructive approach is needed. Russia recently outlined some elements that – we believe – could help us in arriving to long-sought compromise.

NAMA is a little bit sidelined. New proposal on regulatory practices from EU, Hong Kong, China, Chinese Taipei and Singapore could add traction. Its focus on non-tariff barriers is especially relevant for MSMEs and their empowerment.

In rules, we trace worthwhile concepts with regard to anti-dumping and countervailing measures. We welcome China's role and input on the matter. Transparency and due process often suffer in investigations to the detriment of both importing party and exporters. If handled constructively in negotiations, these elements are doable.

Russia actively participates in a debate on fisheries subsidies. They prominently figure in SDGs and the WTO is instrumental for curbing state-funded outlays to IUU, overcapacity and overfishing fleet operations, such as fuel subsidies.

In services, interaction resonates well. It benefits from widely shared demand and ambition. During Services Week in June, we had to extend the Working Party on Domestic Regulation session from one to three full days.

The development dimension is taking off. We took note of the joint proposal from last week by ACP, African Group and LDC on special and differential treatment. My delegation will come back on it after intra-agency examination in the capital.

Russia as well as other Article XII Members made significant extra commitments to trade liberalization upon the accession to the WTO. They comprise market access in goods and services, domestic support in agriculture and many other important areas. We urge the WTO founding Members to match in a timely and practical manner.

28. Nepal

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

LDCs are faithful supporter of the multilateral trading system. LDCs want our economic development to be sustainable and inclusive and enabled by more thriving trade. We are, however, suffering from low value addition and primary product trap in our export markets. As a shared responsibility, it must be acknowledged that the basic objectives of the Marrakesh Agreement have not been materialized in the case of LDCs.

We want to request all distinguished Members to pay more attention to the implementation of LDC-related decisions reached in Hong Kong, Bali and Nairobi, and other agreement-specific provisions so that they give real positive impact on the economies of the LDCs. To address continued marginalization of most of the LDCs, we expect substantial outputs from Buenos Aires under the DDA. A closer attention to the provisions of paragraph 24, 31 and 32 of Nairobi declaration also point to this direction.

Without export promotion, increased productive capacity building, industrialization, diversification and structural transformation of the economy of the most disadvantaged group of countries, achieving global objectives and commitments such as 2030 Agenda for Sustainable Development Goals and Istanbul Programme of Action for LDCs is impossible.

For implementation and follow up mechanism of past decisions and agreement- specific LDCs related provisions, effective, coordinated, functional and result oriented global partnership is essential. At the same time, strengthening the SPS and TBT related capacities in the LDCs including testing, calibration, standardization, and facilitating mutual recognition of standards is highly desirable.

In our opinion, non-Doha issues such as e-commerce are future agenda. Discussions on non-Doha issues should take place within existing mandate and decisions must take place on the basis of consensus. Already marginalized in export trade and its potential benefits in the economy, the LDCs must be exempted from making any further commitments. For them, institutionalized S&DT provisions should be an integral part with new rule making.

Contrary to the objective set by the Istanbul Plan of Action (IPoA) to double the share of the LDCs' exports, we have seen it decline to less than one percent. And with respect to the SDG 9 on promoting inclusive and sustainable industrialization, LDCs have been facing formidable challenges to deepen and diversify the existing industrial capacity in the highly competitive global economy, and have experienced a premature decline in the share of manufacturing in their GDP. To this end, the G-90 have submitted agreement specific proposals contained in Job/Dev/47 to support industrialization, structural transformation and diversification of the economy. We expect a meaningful outcome out of this proposal through MC11.

The implementation of TFA, specifically category C measures, is important for LDCs. We appreciate the notification of the EU on its technical assistance plan according to Article 22 of the Agreement, and request rest of the donor Members to do so. Leveraging of partnership and cooperation from capable member countries would help LDCs to implement category C measures.

We appreciate the prime attention received by TFA during the 6th Global Review of Aid for Trade. We emphasize that the TFA should not be confined to address only 'at the border' level issues such as simplification, harmonization and standardization of customs procedures, it should also pay equal attention to 'behind the border' issues such as enhancing supply-side and productive capacity, export promotion and strengthening other supply-side capacity.

As the time is running short, we need to redouble our efforts to secure a meaningful outcome from MC11. Despite uncertain global environment, we should be able to deliver at the Buenos Aires by bridging the existing physical and digital gaps among the Members and strengthening the principle of multilateralism.

29. Plurinational State of Bolivia

We endorse the statement made by Indonesia on behalf of the G-33.

We have set out our position in relation to MC11 in other meetings, but would like to reiterate a number of points relevant to the Plurinational State of Bolivia. In our view, development should be the main element of the expected outcomes of MC11.

Some things are difficult for Bolivia to understand: while some countries are pushing for the inclusion of new items on the WTO agenda, they do not appear ready to achieve substantive outcomes on the development issues that have been pending for decades, on the grounds that we have to be realistic and pragmatic.

One such example was the treatment of the proposals on special and differential treatment (upon which Bolivia places much importance) submitted by the G-90 at the Committee on Trade and Development, in respect of which we have seen no substantial progress and indeed, some rather unconstructive comments.

For example, despite the work of the Chair of the Committee on Agriculture in Special Session, there has been no substantive progress in agriculture. Some of the developed countries have been benefiting for over 20 years from the flexibilities of the Agreement on Agriculture and intend to continue to enjoy this special and differential treatment for many more years to come, thereby adversely affecting millions of farmers in many developing countries.

The reform process under Article 20 of the Agreement on Agriculture was intended to address the need to level the playing field, not to protect the imbalances that arose as a result of the Uruguay Round.

Bolivia attaches much importance to food security and sovereignty; accordingly we hope to achieve meaningful, useful outcomes in agriculture rather than mere cosmetic changes. Therefore

Rev.4 of the Draft Modalities on Agriculture is very important. We support the elimination of domestic support for all countries that qualify under the Aggregate Measurement of Support (AMS) except for NFIDCs. We support anti-concentration measures and the G-33 proposals to deliver concrete and useful outcomes on public stockholding for food security purposes, the Special Safeguard Measure and cotton, in a manner consistent with the Doha mandate and subsequent ministerial decisions, in particular those of Hong Kong, Bali and Nairobi, and the General Council Decision of 2014. Agriculture continues to set the level of ambition for the work of the Ministerial Conference.

However, some Members that do not wish to give any ground in agriculture are trying to push forward issues for which there is no mandate in the Organization. The treatment of these new issues should be as set out in the Nairobi Ministerial Declaration, in particular paragraph 34.

From a systemic point of view, Bolivia is hoping for an ambitious outcome in fisheries with robust SDT for MC11.

I shall refer briefly to process. The Plurinational State of Bolivia is in favour of transparency, inclusiveness and participation in work before and during MC11. We are not in favour of small groups taking decisions on behalf of all Members.

On the matter of Trade Negotiations Committee versus Heads of Delegation meetings, Bolivia's attention was drawn to the special manner in which these meetings are listed for discussion at the General Council tomorrow. This led us to look into some of the details and we have learned that the Trade Negotiations Committee was established in accordance with paragraphs 45 to 52 of the Doha Declaration, under the authority of the General Council, to supervise the overall conduct of the negotiations, and that at the General Council meeting of February 2002, the Members decided, after some debate, exceptionally to appoint the Director-General as Chair of the Trade Negotiations Committee without that decision setting a precedent for the future.

Accordingly we are in favour of holding Trade Negotiations Committee meetings in conformity with the provisions of the Doha Ministerial Declaration.

To our knowledge, there is no legal or regulatory precedent that provides guidance on informal meetings of Heads of Delegation. Bolivia is of the view that we all need to be clear on this point.

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

30. Ukraine

From the systemic point of view Ukraine associates itself with the statements of the Group of Friends of System and Article XII Members Group.

More practically, taking into account the sequence of negotiating tracks Ukraine believes agriculture is the most important. And in its turn, the most practical issues within the agriculture are domestic support, public stockholding, market access and special safeguard mechanism, where outcomes could be vital for a successful MC11.

Ukraine supports the initiatives of the WTO Members related to the reduction of trade distorting domestic support, in particular, regarding the establishing single comprehensive cap on all forms of domestic support that distort trade, which will be calculated on the basis of a percentage of the total value of agricultural production. The key issues are the level of percent and the approaches to its reduction.

On the draft permanent decision on public stockholding, Ukraine shares the views of the US, the EU and the Members of the Cairns Group concerning the draft permanent decision on public stockholding for food security purposes, proposed by G-33 in the documents JOB/AG/27, JOB/AG/54 and others (taking into account the objectives of the WTO Agreement on Agriculture and the Doha Ministerial Declaration on the reduction of trade distorting measures, and also the WTO mechanism on creation of public stockholding to ensure food security).

On the market access, Ukraine is interested in focusing attention on such issues as tariff reduction, tariff escalation and tariff peaks, leveling tariff commitments by the WTO Members.

On Article 5 of Agriculture Agreement and Special Safeguard Mechanism, Ukraine supports the proposal on termination of Article 5 provisions of Agreement on Agriculture regarding the application of Special Agricultural Safeguards (JOB/AG/85, Corr.1 and Corr.2).

The proposal on introduction of additional mechanism for trade protection - Special Safeguard Mechanism (SSM) - should be considered under the condition that Special Agricultural Safeguards are abolished and SSM constitutes the part of possible decision on improvement of access to the agriculture market. The SSM application, proposed by G-33 under current high level of bound duty rates will create risks of additional trade barriers.

31. Fiji (Pacific Group)

I am delivering this statement on behalf of the six Pacific Island countries, namely: Fiji, Papua New Guinea, Samoa, Solomon Islands, Tonga, and Vanuatu.

As you would be aware, two-thirds of our Members do not have Missions in Geneva, but they have been following the discussions taking place very closely. Our non-representation does not constrain us in vigorously pursuing our interests in the different groups in the WTO that we are Members of, namely ACP Group, LDC and SVEs groups.

We would like to also thank you for the report and also extend our appreciation to the Chairs of the different negotiating groups for their efforts and commitment in engaging with Members to develop potential elements for MC11 agenda.

The Pacific group supports the position of ACP and LDC groups.

As we look towards MC11, the Pacific Members reiterate their position of securing meaningful development outcomes. We would further like to recall the Doha Development Agenda, the Hong Kong Ministerial Mandate and negotiating areas of the Doha negotiations in line with the MC10 decision that commits us to the centrality of development and that S&D which will be an integral part of these negotiations.

First, on the fisheries subsidies negotiations, the group express its support for a multilateral outcome at MC11 – an outcome that addresses the policy space for fisheries sector development and therefore a standstill clause is difficult for us. Capacity and support for implementation commitments for small island countries like us that depend on fisheries resources for livelihood security and economic development are paramount. We do not agree to the disciplining of fisheries management in the WTO as we believe that fisheries management disciplines are in the ambit of the regional fisheries management organization and at the sub-regional level. We also require policy space for the development of our subsistence, artisanal and small scale fisheries sector. Whilst we recognize the importance of transparency, the disciplines in transparency shall be within the ambit of the SCM Agreement and not burdensome on small economies and LDCs.

The Pacific group thanks all the proponents of the seven (7) proposals and Chair of the Rules Negotiating Group for steering the series of meetings convened in the first part of the year, which has resulted in the seven textual proposals that have been submitted to date and the future steps to move towards consolidation. We note the positive direction in which the Chair is working closely with the Members, and the responsiveness of Members to work together despite differences to create the forward-looking environment on the fisheries subsidies negotiations. While many areas remain to be resolved, the Pacific group urges all Members to keep this momentum of work after the summer in order for us to further develop a textual matrix to allow commencement of fisheries textual negotiations.

Second, we note the status of discussions on agriculture, particularly the Domestic support, public stockholding and special safeguard mechanism. An outcome on Agriculture negotiation is also important to the group.

Third, on the E-commerce, we welcome the work under the current existing 1998 work programme on E-Commerce.

Fourth, with regards to the Development issues, we note the submission of the G90 proposal on the Agreement –specific proposals and the strengthening of the special and differential treatment (S&DT) provisions. We welcome the discussions that have started in the CTD-SS, especially those Members that are willing to understand and engage on these proposals. This is an outstanding priority and interest of the developing countries. The Pacific countries will remain uncompetitive given the structural challenges and high trade costs associated with smallness and isolation. We urge Members to take into account our legitimate interest and desire to attain an outcome on S&DT to address the many challenges we are facing today in trying to develop our domestic industries, diversify our economies and build supply capacity including through sectoral development.

The Pacific group will continue to effectively contribute towards the multilateral negotiations including through common areas of interest through the ACP, LDC and G90 groups to support you and the work of all the Chairs of the negotiating groups in order for us to develop a meaningful package for MC11 that would restore confidence in the multilateral trading system at the global front.

32. Fiji

Fiji wishes to reiterate its commitment towards the WTOs' multilateral trading system. As the membership is working toward an outcomes for MC-11, Fiji wishes to join other members in reaffirming its commitment towards the Doha and Hong Kong Ministerial Declaration. Furthermore, Fiji wishes to inform members that the current existing issues under Doha and Hong Kong mandate has to be concluded first and foremost. These include longstanding issues on Agriculture, Fisheries and Special and differential treatment proposal. Development outcomes has to be at the "heart" of the negotiations.

We place paramount value to the multilateral trading system and Fiji recognizes the contribution of the multilateral rules based system towards the economic growth and development of small economies such as ours. However, the development of such rules should be one that equalizers the level playing field amongst the developed, developing and least developed countries. In this regard and quoting from the report published by the World Trade Organization and the World Bank Group in 2015, titled "the role of trade in ending poverty". The findings/conclusion of the report states, "The multilateral trading system has a positive effect on the global enabling environment. This supports trade contribution on growth and poverty reduction, as well as contributing to countries economic performance. An open, predictable, non-discriminatory rules based multi-lateral trading system will continue to be a necessary tool for development and poverty reduction in future. Success in moving effectively on the Doha Agenda will create new economic opportunities, boost business confidence and revive the support for multilateral cooperation aimed at reinforcing the stability of the world economy."

Fiji is a small vulnerable economy. Similar to other SVEs, it is challenged with numerous issues including distance from markets, poor economies of scale, threats to climate change and low export base. In the midst of these challenges the Government of Fiji has developed a trade policy framework that has prioritised certain vital sectors for economic growth in future. These include amongst others Agriculture and Fisheries.

In the area of Fisheries negotiations, Fiji wishes to reiterate the following:

- The attainment of sufficient policy space for the development of our future fisheries sector is paramount. To this end we look forward to a development-friendly outcomes in the fisheries subsidies negotiations.
- Fiji further aims to secure effective and implementable special and differential treatment in the fisheries outcome including for subsistence, artisanal and small-scale commercial fisheries.
- Fiji recognizes the Doha Ministerial, the Hong Kong Declaration and the SDG 14.6 goals;
- Fiji will not support the disciplining of the Fisheries management in the WTO. The issues of fisheries management is best dealt at the Regional Fisheries Management Organization, the sub-regional organizations and the national authorities of the sovereign member states.

- As a coastal state Fiji also has the sovereign rights over its coastal zone and Exclusive Economic Zone (EEZ) as per the UNCLOS and calls members to respect the international agreement which is the Constitution of Sea.

Fiji also wishes to express its deep concern on some of the proposals on the table that have linked stringent conditions of fisheries management to special and differential treatment. On the issue of Transparency, Fiji recognizes the importance of transparency, however, the conditions of transparency in some of the proposals spill over to management and are more burdensome obligations that is beyond the provisions of the SCM agreement. On the issue of standstill, Fiji has major concerns with this provision and it is unacceptable to Fiji as it will derail our capacity to develop our fisheries sector.

In the area of Agriculture, similar to other developing countries, Fiji wishes to inform members that meaningful and effective special and differential treatment in the area of domestic support is important to Fiji. On the issue of PSH, a permanent solution to PSH is important including for current and future stockholdings. We note the number of proposals on the table and are concerned with the conditionality's in some which may prove burdensome in implementation.

On the special and differential treatment, Fiji supports the current proposal on special and differential treatment.

On E-Commerce, Fiji recognizes the importance of e-commerce to economic development and to our businesses. Fiji supports the 1998 Work Programme on E-Commerce and the exploratory discussions should be within the Work Programme on E-Commerce.

However, Fiji is concerned about the rule-making in the WTO on e-commerce for which there is no mandate and which seems to be prevalent in the proposals with linkages even on domestic regulations in services. Such attempts only aim to benefit the already existing firms globally that have achieved competitive and comparative advantages while constraining the policy space of small economies such as ours. According to the 2015 global retail e-commerce index, amongst the top 30 economies that scored the highest in terms of the online market attractiveness scores included Canada, Australia, Singapore, Russia, Japan and others. There is clearly the aspect of a first mover advantage and locking in of policy space for new entrants through the rules on E-commerce. The retail e-commerce index comprises of online market size, consumer behaviour, growth potential and infrastructure.

Additionally, Fiji notes that the proposals by proponents delve into internet governance issues or simply Chair, internet management issues such as cybersecurity. The WTO has a focus on trade instruments and is not an internet management organization or rather an internet governance organization.

In addition, Fiji wishes to underscore para 34 of the Nairobi Ministerial declaration that stated that "while we concur that officials should prioritize work where results have not been achieved, some wish to identify and discuss other issues for negotiation; others do not. Any decision to launch negotiations multilaterally on such issues would need to be agreed by all Members".

Fiji remains committed towards engaging with members on the existing Doha issues under the multilateral format and will contribute constructively towards development-friendly outcomes as we work towards MC11.

33. Senegal

The Delegation of Senegal fully associates itself with the statements made by Rwanda, Cambodia and Indonesia respectively on behalf of the African, LDC and G33 Groups.

I wish to emphasize that the achievements of the Tenth Ministerial Conference held in Nairobi in 2015 were seen as a promising step. However, they also helped to gauge the scale of the remaining task so that development issues remain at the heart of the agenda for multilateral trade negotiations, in line with the Doha Ministerial Declaration of 14 November 2001.

At this stage, it remains clear that the efforts made to achieve this objective could be considerably diluted in light of the direction of some current discussions within our organization.

In this regard, Members should be reminded that they should prioritize the conclusion of negotiations in areas of interest to developing countries, such as agriculture, special and differential treatment and fisheries subsidies.

In view of the forthcoming Ministerial Conference, my delegation welcomes the new G90 proposal on special and differential treatment and calls on Members to make a constructive commitment to achieve a result on this issue which is of utmost importance for developing countries.

My delegation also calls on Members to redouble their efforts to achieve ambitious and equitable results in the negotiations on domestic support in general, on cotton in particular, and on the Special Safeguard Mechanism and on public stockholding for food security purposes.

With regard to services negotiations, particularly in the area of domestic regulation, Senegal would like to reaffirm the need to take into account policy space and the right of developing countries and LDCs in particular to regulate their sectors according to their development priorities.

Negotiations on fisheries subsidies are another priority area for my delegation. In this context, Senegal remains committed to a multilateral outcome on disciplines on certain forms of subsidies that contribute to overcapacity and overfishing and the elimination of those contributing to illegal, unreported and unregulated fishing.

Senegal therefore welcomes the proposals on the table aimed at advancing the negotiations in this area, irrespective of any progress on the other pillars of rules and recalls the need to place the development dimension at the centre of these negotiations taking into account the food security dimension, the development needs of developing countries and LDCs in particular, as well as their technical and institutional capacities.

With regard to electronic commerce, which undoubtedly provides opportunities for small and medium-sized enterprises in developing countries to access the international market at lower costs, many challenges remain for LDCs particularly in terms of infrastructure, connectivity and regulatory and institutional frameworks, to effectively participate in electronic commerce and derive its expected benefits. However, in the absence of a negotiating mandate in this area, Senegal is of the opinion that discussions should remain part of the work of the relevant bodies responsible for monitoring and implementing the 1998 Work Programme on Electronic Commerce and focus on development.

Senegal will continue to engage in the negotiating process with the deep conviction that all countries, particularly developing countries and LDCs, need a strong multilateral system based on security and predictability, through rules accepted by all and favourable to the inclusion of developing countries in international trade.

34. Norway

As others, we welcome Minister Malcorra's statement stressing the importance of upholding the integrity and values of the WTO. I think this is an important call, which we all need to keep in mind as we prepare for MC11.

Turning to Agriculture, we all know that MC11 is the deadline for finding a permanent solution for public stockholding for food security purposes and we are engaging in order to succeed. Furthermore, many Members have frequently said that domestic support in agriculture is their main priority for MC11. The EU, Brazil and their 3 co-sponsors recently put forward a paper on domestic support, cotton and public stockholding. We have already made our views on the proposal very clear. Norway accepts to negotiate based on an overall limit on trade distorting domestic support. However, we do not accept a one-size fits all concept based on giving all developed Members the same entitlement in percentage of the value of production. A cap on trade distorting support fixed as a percentage of value of production means that net importing members with a substantial AMS and a modest value of production will have to bear a much higher burden than a big exporting member with *de minimis* clearly higher than AMS. Norway sees more value in a nominal cap than a percentage cap. Let me add that we are willing to engage constructively in order to find solutions that will accommodate our concerns.

Turning to fisheries subsidies, which is another area of the negotiations that is of great interest to many members including Norway and where we have seen good progress and a high level of engagement. We look forward to receiving the compilation of the different proposals and are prepared to work hard after the summer break to reach consensus on the implementation of SDG 14.6 in the WTO. To Norway, this means working towards a meaningful outcome that is not limited to prohibiting subsidies to those found to be engaged in IUU fishing. We also seek results in Buenos Aires that cover the other elements of SDG 14.6.

As we noted during the CTD-SS meeting last week, the fundamental differences from 2 years ago on the S&D proposals do not seem to have changed. In order to be efficient and results oriented, Members should quickly identify areas in which convergence is most likely to appear. In analysing the new G90 proposal, Norway continues to have a particular focus on the LDCs and the challenges they face.

As regards services, the best prospects for an outcome seem to be in domestic regulations where a number of proposals have been submitted. Norway is ready to engage in text based negotiations after the summer break. However, some have even questioned whether we have a mandate to negotiate improvements in this field. This endless discussion about mandates, not only in the working party on domestic regulations, but also in other fora is worrying and distracts attention from the substance that Members clearly need to discuss. Norway calls on Members to show pragmatism and flexibility. Otherwise, we will never be able to agree and make MC11 as successful as possible.

In times of rising protectionism and increased uncertainty, we need to maintain and strengthen the multilateral trading system embedded in the WTO and not weaken it.

Having listened carefully to the discussions here today, divergences clearly remain. We have a lot of work to reach consensus or convergence on these issues. Therefore, we support the DG's call to intensify work and the need for strong engagement by all when we return after the summer break.

35. South Africa

We endorse the statement made by Rwanda on behalf of the African Group.

As we reach the end of the first semester of 2017, with around 10 weeks to prepare for MC11 after the summer break, we need to collectively assess what if anything, can realistically be delivered at MC11. Despite intensifying exchanges on new or updated proposals, the divergences between Members have not narrowed in any decisive manner. The essential question to answer is not what each of us wants to see delivered at MC11 but, rather, "which issues do we agree can be delivered, and how - in the limited time available."

Some divergences in some areas are of a more 'technical' nature and may be resolved if there is constructive interaction, some flexibility and sufficient time. Most divergences on most issues are, however, more deeply embedded in different national policy perspectives and sensitivities. Let's be frank: These deep-seated divergences are not amenable to resolution any time soon.

Members should now be recognizing that non-Doha, non-mandated issues proposed for decision at MC11 are not achieving multilateral consensus, notably on investment facilitation and MSMEs. It is also clear that there is no consensus on current proposals for domestic regulation in services, temporary admission or others requiring new and onerous transparency obligations.

On domestic support and cotton, the most recent proposals have only served to underscore the wide differences amongst Members and, on S&D, we are particularly concerned at some negative initial reactions to the African Group and G90 proposal.

Public stockholding and fishery subsidies however seem to enjoy some prospects for advance not least because they are being pursued on the basis of agreed mandates and on which positive multilateral engagement continues. On e-commerce, it may be possible to agree to continue exploratory discussions under the current work program. While we have an interest in a focused dialogue on policies that address the digital divide and that build national capabilities, any suggestion for multilateral rules will not obtain consensus.

Finally, we all seem to agree that the process leading to MC11 should be fully transparent and inclusive, and that we avoid a repeat of the process at MC10. We should therefore be focused on completing all technical work in Geneva before MC11 and, in doing so, we will also need to allocate sufficient time to work on a draft Ministerial Declaration.

36. Cameroon

I welcome the presence of Ms Susana Malcorra and share in particular her view when she recognizes that the WTO rules are not perfect and need to be improved.

My delegation wishes to thank you for your report. It also thanks the Chairs of the different negotiating committees for their respective reports. My delegation recognizes that these reports are factual in many respects.

My delegation has also noted with satisfaction that, as shown by these reports, Members have attained a remarkable level of commitment in certain fields, and welcomes this dynamic which could hold out hope of a successful outcome for MC11 in Buenos Aires in these specific fields in particular. My delegation fully endorses the statement made by Rwanda on behalf of the African Group. As Rwanda has already dealt with the substantive elements in its statement on behalf of the African Group, I shall not bring them up again other than to make a specific point before raising some questions of law.

On a different matter, other less encouraging signs have been perceived during the discussions in some negotiating bodies. I would mention first the superficial account taken of the development mandate entrusted to us by the Ministers. Development is supposed to be central to the negotiations in this round. With this in mind, the LDC Group, the African Group and the ACP Group introduced a proposal capable of facilitating the integration of the weakest Members in the multilateral trading system. This proposal, which covers my own country and not just the LDCs, is aimed at the structural transformation, industrialization and diversification of our economies.

Diversification was selected by the Ministers in Doha, specifically in paragraph 42, as one of the priority lines of action in the package of measures to help the weakest countries integrate into the multilateral trading system. Diversification was also a decisive element in the ACP countries' commitment to the package deal concluded in December 2009 with regard to bananas and tropical products, which covered a range of countries, including the ACP countries, the European Union, the United States, Brazil and many others. Moreover, 44 WTO Member countries, with an entire continent, wish to industrialize in order to put an end to the "produce more, earn less" syndrome. Africa, not to mention its name, seeks via its Agenda 2063 to meet the need for value chains through structural transformation. That is the background to the submission which, although it derives from the Ministerial Declarations of Doha (2001) (paragraphs 44 and 50), Hong Kong (paragraphs 35 and 38) and Nairobi (paragraph 32) and from the Decision of the General Council (paragraph 1(d) of the July Package of 2004), still seems not to be properly appreciated. We shall nevertheless continue our consultations with Members in this connection.

Although this topic has a definite and hence solid legal basis, numerous initiatives are developing outside the rules. This trend disturbs certain negotiating group chairs who seem to have difficulty in summarizing the divergences that come to light during the discussions. In paragraph 7 of document TN/C/M/1 of 14 February 2002, it had been agreed that "Chairpersons should be impartial and objective, and discharge their duties in accordance with the mandate conferred on the TNC by Ministers". It is quite clear that the chairpersons of negotiating groups should reflect consensus as well as divergences. Zimbabwe had stressed at the time, on behalf of the African Group, that "In the event that there was no consensus regarding the text, then any divergent positions of delegations should be clearly reflected", and this is stated in paragraph 18. In other words, it is necessary to "specify the different positions" rather than "specify substantive differences", as had in turn been demanded by Tanzania on behalf of the LDCs (in paragraph 22). The full relevance of this nuance is revealed when issues of law justify the different positions of Members. Generally speaking, preliminary questions or questions referred for a preliminary ruling do not have the same legal status or the same importance as substantive questions, depending on the stages in the proceedings. In this connection, as the WTO is a rules based Organization, any initiative not in conformity with the rules cannot be justified and should not therefore prevail.

Thus, my delegation invites Members to strengthen WTO law by conforming to the rules. What is at stake here is the credibility of the system.

My delegation would like the rules to apply to all parties, everywhere (in all fields) and at all times; that should be the case more particularly in the negotiating processes. We observe with astonishment the interest displayed by some Members in legal "liquidity". Liquidity here should be understood in the sense used by Zygmunt Bauman. It is with this systemic concern, and in the interests of transparency in our work, that my delegation had sought to understand the logic and the functioning of the structures mandated for the management of our work.

Given the situation we have experienced, which resembled a sort of productive absence of TNC meetings issuing regular reports to the General Council, my delegation simply wished to understand the coherence of the current practice involving, on the one hand, heads of delegations deliberating without a clear mandate, and on the other, the TNC, formally constituted, which submits a report to the General Council without having held a meeting. Based on memory and experience, it would necessarily be difficult to understand this procedural ingenuity which, despite its effectiveness, has resulted in agreed former practices being ignored. In order to contribute to clarification, my delegation sought to understand by asking questions. Considering the explanations given and the views expressed by certain Members, it wishes to summarize succinctly its technical interpretation of the rules in force.

According to paragraph 7 of document TN/C/M/1 of 14 February 2002 reporting on the work of the Trade Negotiations Committee on 28 January and 1 February 2002, the TNC is the only WTO body mandated to conduct negotiations in the context of the Doha Round. Its work is supervised by the General Council which has entrusted its chairmanship, on an exceptional and unprecedented basis, to the Director General. Any other body would have to be created either by the Ministerial Conference or by the General Council. The WTO rules grant neither a particular Member, nor a group of Members, and less still the Secretariat, powers to conduct multilateral negotiations during this Round. The Secretariat staff should ensure respect for its ethical obligations. Pursuant to Article 47 of the Doha Ministerial Declaration, negotiations are conducted under the single undertaking system. In this respect, in the event of an early harvest, as occurred in Bali in 2013, and as specified in the same paragraph 47, "early agreements shall be taken into account in assessing the overall balance of the negotiations". That amounts to saying that the conclusion of the Trade Facilitation Agreement will be taken into account at the time of assessing the negotiations. It has not escaped Members' attention that the preamble to the General Council Decision of 27 November 2014 constituting the Protocol Amending the Marrakesh Agreement Establishing the World Trade Organization and relating to the Trade Facilitation Agreement, clearly refers to paragraph 47 of the Doha Ministerial Declaration.

In view of the foregoing, the divergences noted in paragraphs 30, 32 and 34 of the Nairobi Ministerial Declaration merely illustrate the lack of consensus. They do not create new law. These divergences simply reflect a failure to develop new rules. Moreover, the entry into force of the Trade Facilitation Agreement on 22 February 2017, which all Members welcome, has strengthened not only this analysis, but the status quo ante as well. It might therefore be essential for all Members to take account of this legal position. In other words, paragraphs 30, 32 and 34 of the Nairobi Ministerial Declaration do not create a sufficient legal basis to undertake negotiations on other questions or new issues. Nor do they offer relevant legal support for the creation of a new negotiating body. However, Members retain the right to submit their concerns in the existing competent bodies. Moreover, under paragraph 33, the Director General reports regularly to the General Council on efforts to advance the Doha Round negotiations. Members wishing to introduce new issues or to launch a new round of negotiations should inform the other Members accordingly with a view to achieving an explicit consensus.

It follows from this analysis that any negotiating process parallel or in competition with the regulatory framework would be at variance with the WTO rules and hence non-compliant. Similarly, the informal institutionalization of practices inconsistent with the rules, no matter how legitimate they may be, could not constitute a credible alternative solution. Rwanda has made a proposal for consultations, which was echoed by Zimbabwe, and which we support.

In conclusion, allow me to recall that Cameroon and its President place great expectations on this development round in order to industrialize and be included among the emerging countries. My delegation has regularly made known its wish to see the WTO produce shared results, results for

all, beginning with those that most need them. The Chair of MC11 has indicated that we must work to improve the system. My delegation supports this. In this regard, my delegation remains open, constructive, prepared and committed to work with all Members, in order to find ways and means of taking our work forward.

37. Ghana

Ghana reiterates its strong commitment to the rules-based multilateral trading system that is transparent and inclusive. We also recognize that all issues that have clear mandate should be on the table and given adequate attention.

On some of the issues of particular interest to Ghana, let me emphasize that our economy depends on agriculture and the large number of our population, mostly poor, depends on the sector for survival. Each of us is aware of the systemic imbalances in the agricultural sector which continues to undermine Africa's progress and efforts to overcome its food security. In that regard, we reiterate the African Ministers of Trade's call for agriculture to remain a priority and support the African Group's stance that agriculture should determine the balance of the negotiations and the outcome of the forthcoming Ministerial Conference.

Subsidized industrial fishing practices have contributed to overfishing in the oceans and other water bodies. We therefore welcome the discussions on fisheries subsidies at the Rules Negotiating Group and support any outcomes that seek to protect fisheries stocks. We join the call for the elimination of fisheries subsidies to IUU fishing and disciplines on subsidies that contribute to overfishing and overcapacity. We take note of the ACP proposal in that regard.

On development, in accordance with paragraph 44 of the Doha Ministerial Declaration and the recent declaration of the African Trade Ministers, we support the pursuit of stronger, more precise, effective and operational S&D outcomes at MC11 so as to address our structural transformation agenda and my President's objective of developing our country beyond aid. It is for this reason that we welcome the G90 proposal and encourage Members to consider it with open mind and positive engagement to ensure that it remains integral in all the negotiations.

As regards domestic regulation in services negotiations, as we have always indicated, any outcomes in this area does seek to introduce onerous administrative requirements or are likely to intrude into our domestic policy-making processes and the little policy-space available for us to develop and industrialize, should be avoided.

By way of process in the run up to MC11, we uphold the principles of bottom up, inclusive and transparent approaches in all our deliberations. Therefore, we must avoid the firefighting approaches with a view to saving the image of the multilateral trading system characteristic of recent Ministerial Conferences.

Ghana aligns itself with the statement delivered by Rwanda on behalf of the African Group.

38. Republic of Moldova

Before referring to the main priorities for the Republic of Moldova regarding the negotiation process for MC11, I would like to make a quick introspective or retrospective in the past and to examine the negotiation process and the state of play before the Bali and Nairobi Ministerial Conferences – a situation that we also find ourselves today in. Then, as now, it was not easy to achieve compromise and to contribute to the achievement of new disciplines for the multilateral trading system. But it was not impossible to engage ourselves in the negotiation process.

Today, only a couple of month before MC11, what we can see is incertitude regarding the commitments from our countries in engaging in a more constructive dialogue. When all of us had reached agreements on the Bali and Nairobi outcomes, the gaps and divergences between developed, developing and LDCs were still there at that time which we can also notice today. But we did it and we were able to identify the main challenges for our trade system and we were able to move forward. That is why today we can all share some of the achievements and outcomes after the implementation of Bali and Nairobi Ministerial Declarations. How could we set up today a Committee on Trade Facilitation, for example, if we had not been able to trust each other and to reach a compromise in Bali.

I would like to reiterate that Moldova remains a small economy according to micro and macro indicators of the World Bank. But nevertheless, Moldova has undertaken extensive commitments during its sixteen years of Membership to the WTO family and has duly implemented our commitments taken in Bali and Nairobi.

Regarding the upcoming MC11 in Buenos Aires, Moldova strongly recommends to consolidate the sectorial approach and to initiate group-to-group meetings in order to find a convergence between developed, developing and LDCs regarding the negotiation process under three items: Agriculture, domestic support, public stockholding, cotton and fishery subsidies; domestic regulation on services, competition of trade policy and e-commerce. On e-commerce particularly, Moldova commends the work done by the groups, including the Friends of E-Commerce for Development and the Friends of Investment Facilitation for Development" where Moldova has been actively involved. On e-commerce, Moldova will have a separate statement on the relevant GC agenda item.

The Republic of Moldova strongly believes that our communication and diplomatic skills will determine us to be open towards initiations of a constructive dialogue which will bring a common result for the world trade system. The Republic of Moldova is ready to move forward and to move from consultations to negotiations for the next Ministerial Declaration.

Before I finish, may I also extend my warm wishes and sincere appreciation for my good friend Ambassador Juan Falconi of Ecuador for his active work and his dedication in our organization. In my capacity as Chair of the Balance of Payment Restrictions Committee, it has been an honour and pleasure to work together with Ambassador Falconi and other WTO Members in successfully finalizing our joined work in the Committee just this last week.

I would like to end my statement with the following saying which is valid in Moldova: "A real decision is measured by the fact that you have taken a new action. If there is no action, you have not truly decided". Let us all decide to take further action and achieve success in Buenos Aires.

39. Uganda

At the outset we would like to recall the statement we delivered in our last meeting of May. We also support the statement of the African Group, the LDC Group, the C4 and the G33.

We would like to congratulate you, Chair, for having reconvened the TNC after such a long time. It will be recalled that we last met in this format in January 2015. In this time, two formal meetings of the TNC were also convened – the last one being in July 2015, so it has been literally two years since then. Since then, no formal meetings or informal meetings of the TNC had been convened.

We have three basic points to raise on process issues today.

One is with respect to the role of the Chair of the TNC, the mandate of the TNC and the authority to create negotiating fora. You will recall that the TNC was created by the fourth session of the Ministerial Conference of the WTO under paragraph 46 of the Doha Ministerial Declaration. In consultations that ensued after Doha, there was no immediate agreement on who would chair the TNC. They were torn between those who wanted the DG and those who wanted leadership to be from among representatives of WTO Members. It was, therefore agreed that the DG, as an exceptional arrangement, be appointed in an ex officio capacity to chair the TNC – it being understood that it does not create a precedent for the future.

On the question of the mandate of the TNC, in reading the minutes of the first TNC meeting in document TN/C/M/1 the Chair of the GC clarified as follows, "the mandate for the TNC, as for the negotiations as a whole, is that agreed by Ministers at Doha in November 2001 and set out in their Ministerial Declaration – paragraphs 45 to 52 of that Declaration in particular relate to the TNC which Ministers have established under the authority of the General Council to supervise the overall conduct of the negotiations." That is the mandate.

It therefore means that any moves to create a structure or forum parallel to and in competition with the TNC as far as negotiations are concerned is inconsistent with the mandate of the TNC and the social contract for which the holder of the office of the DG is bound by the Membership to

execute as chair of the TNC. It is therefore important for my delegation to stress that the only contract that the DG has in as far as matters of negotiations are concerned is limited to the TNC. To seek to expand or limit their role is without legal basis.

This then begs the question, where does the DG derive the authority to create this parallel structure which is competing against the TNC? Has the TNC outlived its usefulness? Have the negotiations which were mandated been concluded? Have we agreed to wind up the TNC?

Our view is that the right to create fora for negotiations have been clearly spelled out in Article III.2 of the Marrakesh Agreement. It says, "[t]he WTO may also provide a forum for further negotiations among its Members concerning their multilateral trade relations as may be decided by the Ministerial Conference". As we understand, there has been no such Ministerial Decision to create a structure counter to the TNC.

Paragraph 34 of the Nairobi Ministerial Declaration says "[w]hile we concur that officials should prioritize work where results have not yet been achieved, some wish to identify and discuss other issues for negotiation; others do not. Any decision to launch negotiations multilaterally on such issues would need to be agreed by all Members." Unilaterally setting up this parallel structure is an attempt at institutionalising the disagreement in Paragraph 34 of the Nairobi Ministerial Declaration without the authority of Article III.2.

Paragraph 34 has no reporting requirement for the DG on new issues. It does not mandate the creation and/or establishment of any new forum or fora for negotiations. In fact, to do so, would be an attempt at exceeding the authority of the DG as laid down in Article VI of the Marrakesh Agreement defeating the instruction, object and purpose for which Ministers created the TNC in the first place.

Further, it is in contravention of Article VI.4 of the Marrakesh Agreement which requires that "the responsibilities of the DG and of the staff of the Secretariat shall be exclusively international in character. They shall refrain from any action which might adversely reflect on their position as international officials". It is important to acknowledge that there are instances where the DG undertook to convene HODs meetings before the Doha Round. Such meetings were convened with the express agreement of the Members.

For instance, in document WT/GC/M/61/Add.1 during that Council Meeting which took place on 30 January and 8 February 2001, the Chair of the GC requested and the Council agreed to give the Council Chair and the DG a mandate to work with Members on facilitating organizational and issue related aspects of the preparations from the Doha Ministerial. It was in accordance with this mandate that the Chairman and the DG held numerous consultations with delegations in a variety of formats including, but not limited to, Heads of Delegations meetings.

We believe that just like in past practice a Director-General in his capacity as Chair of the TNC is free to report on the various travels and meetings under the framework of the TNC. There is no need for creating another forum without following due process. Further, every Member has a right to speak on any issue of national interest to them within the TNC. It is the duty of the other Members to debate and either agree or not agree with any suggestions. This is why this is called a Member-driven organization and all of this is a function of negotiations.

In closing, we are at a critical juncture within this Organization where it will matter in the history of the future on why a rules-based organization elected to proceed by setting aside a critical part of its mode of operation that has defined its negotiating history. As the weakest and most vulnerable Members of this organization, the only protection we have in this organization is the protection afforded by our rules which have variously been etched in our fabric as agreements, Ministerial Decisions and Declarations and/or Mandates. If we do not defend the strong legal structure of this Organization as we acknowledged in Nairobi, slowly by slowly all small and less powerful and poor delegations will lose their voice and the protection of such rules.

We have seen Members push proposals in complete disregard of established rules and procedures and without an explicit mandate. We have seen a renaming of divisions in this organization in complete disregard of the object, purpose and spirit of Paragraph 1(g) of the July Framework. We have seen Members of the Secretariat attempt to engage in interpretation of multilateral agreements within a negotiating context. We have witnessed Members of the Secretariat prepare

papers and offer interviews to support one point of view against another as though they were surrogate proponents.

On the contrary, we have never seen the Secretariat make any presentation in defence of the structure of transformation and industrialization of Africa in line with Agenda 2063 – The Africa We Want. We have been talking about this issue since before 2015. We have never seen the Secretariat speak in defence of public stockholding for food security purposes or the SSM. It is therefore our noble duty to raise these systemic concerns and requests the Secretariat to exercise maximum restraint and show neutrality in line with the WTO's international character. We therefore do not support any attempt at creating structure and/or fora without an explicit mandate and would support further consultations on this issue going forward preferably under the auspices of the General Council.

Before I close I would like to strongly add on another note. I would like to strongly add to ask staff members of the WTO to exercise maximum restraint in exhibiting behaviour that is a conflict of interest intended to undermine positions of Members of the African Group in the WTO. It is a condition of service applicable to the WTO that staff members shall conduct themselves at all times in an appropriate manner and shall avoid any action which may adversely reflect on their status of international civil servants or on the integrity, independence and impartiality which are required by that status.

It is also our understanding that the staff rules of this organization, as with any other international organization, staff members who are on special leave without pay are obliged to maintain an international character as instructed by Article VI.4 of the Marrakesh Agreement. Staff who are granted leave without pay by the WTO remain WTO staff members and are under the obligation to observe these standards of conduct. In particular, staff members authorised to accept employment during such leave must ensure that they conduct themselves in such a way as to avoid actual and potential conflicts of interest.

I regret, Ambassador Osakwe is highly regarded in our community. We are proud of his service in this secretariat for the entire period of time he has served actively and while he is on leave. He is contravening his status of being an international civil servant and is therefore constrained in engaging objectively on this issue given his delicate status of employment.

40. Jamaica

I know this is an informal meeting but I am constrained to ask to refrain from calling by name and presenting an allegation in respect of the conduct of any officer in a manner that might prejudice the integrity of the forum. I do say this with great regret. I understand the importance of the statement that is being made. But if the name of an individual is called with respect to the individual's conduct, it can and should only be done in a format that allows for the protection of the rights of that individual.

41. Hong Kong, China

I wish to make it clear, however, that taking the floor in this session does not mean HKC has reservation about having a separate HOD session. Quite the contrary, we appreciate the inclusive and transparent process that the DG has made available to Members in the HOD format. The DG has a role to play in consulting Members on a broad range of issues, and in reporting regularly to the General Council. We see the HOD meetings as part of his efforts to perform this role, and we thank him for that. We do not see the HOD as necessarily competing, or in conflict, with work in other contexts.

HKC takes a pragmatic approach to work in the WTO. Processes and formats are the means. Substance and outcomes are the end. In the WTO, Members already have very different positions on many issues. I hope we can be more open-minded with the means, to make it easier to get to the end.

Let me now turn to the ongoing negotiations in various areas. In this connection, I would like to thank you, DG, and all the Negotiating Group Chairs for your reports and hard work. I also thank the Secretariat for its professional input to the process.

HKC appreciates that, for many Members, Agriculture is the gateway issue. The concerns which Members seek to address are long-standing but also pressing, because they have far-reaching implications not only for market operations, but also for people's livelihood. HKC supports a meaningful outcome in Agriculture, but not to the exclusion of outcomes in other areas.

In Services, HKC is a well-known demandeur for formulating Domestic Regulation (DR) disciplines under GATS Article VI:4. And we are not the only one. There are now several text proposals on the table, indicating a strong desire among Members to develop new rules. Debate at the WPDR has been intense, and we are encouraged to see a large number of Members expressing interest in the proposals. We are working with other proponents on a consolidated text, so that Members will have a full picture of the deliverables that we seek at MC11, and will have a clear basis to indicate support.

HKC remains convinced that market access commitments have to be complemented by effective disciplines to ensure that various requirements in Members' domestic regulations do not constitute unnecessary barriers to trade. That is why we believe that fulfilling the GATS mandate should be a matter of priority.

Apart from the DR proposals, the Special Session is also looking at a comprehensive proposal to facilitate trade in services. We appreciate the proponent's initiative and the efforts that it has made in addressing Members' concerns. We understand that a revised proposal is under preparation. We look forward to its circulation and further discussions, although understandably our priority would still be in the DR disciplines.

In NAMA, HKC is co-sponsoring a Transparency proposal to address another barrier to trade – which is the lack of access to basic information regarding regulatory measures for trade in goods.

Market access does not come by easily. We must not let our hard-earned concessions be undermined by non-tariff barriers. A substantial part of the regulatory measures in question are related to SPS and TBT, which is a compelling reason for tackling these Agreements in the first instance.

The proposal was introduced at the Negotiating Group last Friday, and we thank Members for their initial feedback. Comments and questions are most welcome, but in our view at least one issue is beyond doubt – which is that the current mandate of NGMA allows for negotiation on this subject, as has been the case in the past. With this proposal, we are reinvigorating the NAMA negotiations. Let us focus on the substance, rather than procedural arguments that will only take us one step backwards.

On the Rules side, HKC would also like to see improved disciplines.

With the world's fisheries resources continuing to decline, there is a need for prompt and concerted efforts to ensure that fishing activities are sustainable. We are glad to see the negotiation on fisheries subsidies gaining traction. The matrix document showing the various proposals side by side should facilitate in-depth negotiation in September.

At NGR, there are also calls for better trade remedy rules to guard against the abusive use of anti-dumping and other measures. HKC sees merit in the latest proposal. We will approach it with an open mind, and hope other Members will do the same.

Regarding Development, HKC believes that negotiations at the CTDSS should be premised upon the clear understanding that in the WTO, the rules-based system is fundamental, while development is a core objective. The two have to go together. By including Special and Differential Treatment (S&DT) in the WTO Agreements, we are facilitating the integration of Developing and Least Developed Members into our rules-based system. The S&DT provisions are already there; the question is how we can make those provisions more precise, effective and operational, in a manner that is consistent with the spirit of the Agreements.

HKC appreciates the efforts of G90 in updating its S&DT proposal. At the Special Session last week, we heard very different views. Clearly there is a wide gap to bridge. If Members have the political will to find convergence, the first step in that direction will have to be a willingness to listen to each other, and to engage in a constructive dialogue. HKC was actively involved in the

discussion on Development before and during MC10. We stand ready to facilitate the current discussion in the run up to MC 11.

Alongside the negotiations, HKC would like to advance the discussions on E-commerce and Investment Facilitation.

On E-commerce, there will be a separate agenda item at the General Council meeting to discuss the Work Programme and recently circulated papers. I shall leave HKC's substantive comments to that discussion.

Here, I would say in general that we are happy to see lively discussions in all the regular bodies involved (namely, CTS, CTG, TRIPs Council and CTD). Within the WTO, there is a broad-based and sustained interest in the subject. HKC would like this dialogue to continue, and in due course to develop in a way that can, through our rules-based system, bring concrete benefits to WTO Members.

As regards Investment Facilitation, HKC is a member of the Friends of Investment Facilitation for Development (FIFD). The Group is organising a series of structured dialogues. We have also organised other ad hoc events, for example, the workshop held on the eve of this year's Aid for Trade Global Review, about developing economies' investment needs and bottlenecks; and the joint seminar with the Friends of E-commerce for Development (FED) Group yesterday, on how to harness e-commerce and investment facilitation for inclusive trade and development.

One can see that development has always been a central theme for these events. For the FIFD Group, investment facilitation is for development. It is through the many open and inclusive dialogues that we understand better what exactly investment can do to foster development; how this has been done in different parts of the world; and what more can be done at the multilateral level. HKC will continue to support the Group's initiatives in this regard.

In a few days' time, the WTO will start its summer break. I hope this brief respite will not dampen the momentum of our work. Instead, it should allow us to reflect on the progress made so far, and sharpen our focus as we consider what can be achieved in the run-up to MC11 and beyond.

HKC is a co-sponsor of the joint statement to be delivered by Switzerland in the HOD session. Let me conclude this intervention by highlighting our joint appeal in that statement: We urge all Members to engage constructively; consider proposals on their own merit; work towards pragmatic outcomes; and make Buenos Aires a success.

42. Uruguay

Uruguay fully endorses the Director-General's report with regard to the need to redouble our efforts looking forward to making the most of the fourteen weeks that remain before the Ministerial Conference.

We welcome the efforts that have been made to achieve significant and meaningful results that will not only allow us to reiterate the important role played by this organization but also to make significant steps forward in the name of global trade. We would like to make progress. We likewise are aware of the need to also examine the interests and needs of other Members.

In this regard, we have endorsed the proposal in JOB/AG/99 from Brazil, the European Union, Peru and Colombia. We believe that this is a good foundation for working on a constructive manner on domestic support. This offers a solution on Public Stockholding and allows us to address the important negotiations on cotton.

We also put high priority to moving forward the negotiations on fisheries subsidies. On these negotiations, we trust that we will be able to achieve a meaningful result in Buenos Aires.

We reiterate that the growth and development of small countries such as Uruguay is inextricably linked to the expansion, diversification and modernization of external foreign sectors. We therefore could not agree more with the various previous interventions made which highlighted the importance of reiterating our commitment to the organization and to preserving the multilateral trading system.

We also support the work done in seeking to identify possible results on MSMEs and e-commerce.

43. Tanzania

From the outset, I would like to associate my statement with the statements made by Cambodia, on behalf of the LDC group and Rwanda, on behalf of the African group.

The reports reflect the reality of the matters as they stand now while we are left with just few weeks before the Ministerial Conference. We should be able to forge ahead for an outcome in Buenos Aires, however, MC11 is not the end of our continued work. Our priority after summer break definitely should be to work on areas which are likely to yield results particularly on issues which have clear and concrete mandate.

Undoubtedly, we will continue to support developments and work for MC11 outcome on public stockholding (PSH), domestic support, special safeguard mechanism (SSM) and cotton on agriculture with a view to rectify the existing imbalances as embodied in the WTO Agreement on Agriculture. We are also supportive to the ongoing engagement on Fisheries Subsidies for an outcome in MC11. The reason behind for our support in this area is premised on the need to promote sustainable development and good use of marine resources as a global common good. Another area which continue to be in our priority is the Special and Differential Treatment (S&DT) provisions with a view to making them concise, effective and operational and therefore, we urge members to remain positive and constructive to the G90 proposals.

We have encountered a number of proposals and efforts from some members to push for an outcome in Buenos Aires on areas such as ecommerce, investment facilitation, services facilitation and MISMES, we remain unoptimistic for an outcome in MC11 on those areas for various reasons. Some of the reasons include, lack of clarity in the proposals and lack of clear-cut mandate in others to guide our work going forward. The prolonged process of correcting imbalances in dependable areas such as agriculture, continue to exacerbate our fear to agree on outcome in areas with little or no clarity. Members do not want to repeat the same and obvious mistakes which will take ages to rectify in future particularly on dynamic issues such as ecommerce and investment. Therefore, an extensive debated and clarity will have to be attained before any decision is reached.

However, in conclusion, our delegation reiterates its readiness to remain positive and engaged after summer break for MC11 outcome preparations.

44. China

Needless to say, time is not on our side. We need obviously to concentrate on areas with high level of convergence which may be achievable and doable at MC11. But the top priority for MC11 is to safeguard the core values and basic principles of the WTO.

On Agriculture, India and China submitted a proposal on domestic support last week. As introduced, we are of the view that to reduce and ultimately eliminate the most distorting element for international agricultural trade – AMS, should be the most urgent task of WTO's agricultural reform. We also note several submissions from other Members, and welcome the efforts of this kind, to eliminate the trade distorting domestic subsidies of developed Members in particular. Besides, I echo the statement of Indonesia on behalf of G33. A permanent solution for PSH should not be missing for any MC11 package; substantial progress should be made on SSM as well. Without them, the credibility of Ministerial Decisions will be jeopardized.

On Rules, China insists to advance the relevant issues under this pillar in tandem. For one thing, fisheries subsidies attract great interest from Members, but we shouldn't stretch beyond our capability. The WTO, after all, is not a fisheries organization, neither do we have the professional knowledge and experiences. Reaching certain consensus on IUU, I am afraid, would be the most possible convergence and the way forward. Desiring too much would eventually lead to nothing. For another, China's submission on trade remedies focuses on the clarification of existing rules, so that they can be better implemented. We welcome Members to continue to engage and provide constructive comments.

On E-commerce, we think e-commerce can effectively help developing Members and SMEs to lower their trade cost and achieve development goals. China thanks the African Group for their report on the Panel Discussion of Digital Industrial Policy and Development, and welcomes the recent papers submitted by Russia, Japan and Singapore, and applauds for those efforts and explorations. However, we also have to admit, this kind of efforts and explorations would not lead to binding rules at this stage. Redlines of Members must be respected.

On Investment Facilitation, we are encouraged by the lively interest from Member governments and the industry. I would like to support the statements to be made by Argentina and Pakistan, and welcome the initiative of Nigeria to host a high level workshop on investment facilitation for industrialization in Africa. China and FIFD members will actively participate in the discussion, and we will also encourage Chinese and other countries' companies to participate in the side event of the workshop, to explore investment opportunities in Africa not only on policy level, but also in practice.

45. Brazil

We appreciate the fact that the DG highlighted his efforts to advance Doha issues, of interest for developing countries. I thank him for being focused on the substance of our agenda. We trust in his tireless work in favour of a positive outcome in Buenos Aires, just as he did before MC9 and MC10.

We welcome Minister Malcorra's important statement, with a strong message of support to the MTS and a very balanced and realistic, but balanced and constructive, assessment of where we stand. As we approach Buenos Aires, we trust that Minister Malcorra's engagement in the process will help us address the fundamental challenge of not having a common view on our negotiations agenda and mandates.

As a developing country, Brazil shares a keen interest in advancing the remaining Doha issues, as we agreed to do in Nairobi, and as highlighted by the first speaker, the ambassador of Rwanda, on behalf of Africa.

Brazil is also open to work on the so-called new issues, in their own merits, as long as, in the end, any possible package is balanced and development-oriented.

Under present circumstances, in the same spirit of the point made by the ambassador of Barbados, on behalf of our CARICOM neighbors, Brazil continues to be of the view that we should work to achieve incremental – albeit substantial – results. Some progress is better than a standstill.

A number of draft ministerial decisions have been circulated. We have material on which we can start to consider a possible package.

From our perspective, agriculture is the core Doha-issue to be addressed at MC-11. On the 17th, Brazil circulated with the EU, Colombia, Peru and Uruguay a proposal covering domestic support, public stockholding and cotton.

As a developing country, Brazil wishes to highlight that this proposal is a contribution to address the imbalances and asymmetries of the AoA. Depending on the different national perspectives, it may be seen as not being ambitious enough, but there can be no doubt that it is a decisive step to level the playing field. Within its framework, we would eventually eliminate AMS entitlements, a crucial goal for developing countries.

We invite Members to consider the proposal with an open mind. Brazil will continue to reach out to all interested Members.

On SPS, Brazil circulated a paper with ideas on implementation issues. We will continue to approach Members on a possible way forward for this topic.

On Rules, negotiations on fisheries subsidies are the most likely to yield results in the short run. We invite Members to prioritize them. The views of developing countries in a situation of under-capacity and under-exploitation must be duly taken into account.

In Services, in order to be able to move forward on the mandate of GATS article VI.4, we look forward to the consolidation of proposals on domestic regulation into a revised draft.

We also look forward to India's revised TFS draft. While having specific concerns regarding the initial version, Brazil will engage constructively.

The NAMA negotiating group has started consideration of a proposal on transparency of regulatory measures for trade in goods, covering TBT and SPS horizontal issues, submitted by the EU, HK/China, Chinese Taipei and Singapore. Brazil is carefully considering this proposal.

On e-commerce, a topic in which Brazil circulated three papers, we welcome the recent submissions by the Russian Federation, Japan and Singapore (with others). These documents have in common the merit of focusing on issues of procedure and the possible way forward post-MC11.

On investment facilitation, we thank Ambassador Marcelo Cima, of Argentina, for his statement. Dialogue opportunities in events organized by the Friends of Investment Facilitation for Development provide inputs to any possible ministerial guidance in Buenos Aires. We invite Members to consider inputs submitted by Brazil and Argentina in document JOB/GC/124.

We also thank Ambassador Hector Casanueva from Chile for his statement on behalf of the Friends of MSMEs. We believe that the discussions promoted by this group since June are a solid start for more focused work. Brazil, Argentina, Paraguay and Uruguay submitted inputs in document JOB/GC/127.

Last but not least among possible topics for MC11, we owe the G-90 a realistic and honest discussion, with an open mind, about proposals contained in document JOB/DEV/48.

Brazil mentioned topics which have been the object of our joint considerations. Some have more traction than others. In any event, agriculture will be the benchmark for our assessment on a possible MC11 package.

46. Norway (Second Intervention)

I must admit that I have been deeply worried by some of the discussions that have been taking place in the latter part of this meeting. We have in this organization a tendency to use procedures for reasons, which sometimes are very difficult to understand. First of all, I would like to express our full faith in the Secretariat under your leadership. I think it is very important as we prepare for MC11 that we do not undermine the authority of the Director-General. I think this is what we have seen attempts at here today. It is fully within the prerogative of the Director-General to convene informal HODs and frankly I cannot understand why this suddenly comes up now when ever since I arrived here we have had informal HODs and we have never had any of these problems before. My colleague from Singapore gave a very good explanation earlier on why there is no problem with this. Also Hong Kong made some valid points in this respect. We need to uphold the integrity of the Director-General and not question his authority to call meetings to help us as Members continue our work as we prepare for the Ministerial Conference in Buenos Aires.

47. Switzerland

I did not wish to speak at the TNC meeting. But the substance of the debate, and more particularly the comments made on the *raison d'être* of the meetings of Heads of Delegation, led me to change my mind.

The meetings of the Heads of Delegations are an exercise in transparency on the activities undertaken by Members and the Director-General as well as on the state of negotiations.

It is not a matter of negotiating or launching new negotiations. The process remains informal. It is important, however, to check the temperature of the membership and to understand the sensitivities of the Members. For some delegations, these meetings are the only opportunity to gain an overview of WTO issues.

Meetings of Heads of Delegations are at the heart of the deliberative function of the WTO, a vital function for an organization that must remain attuned with economic realities if it does not want to be obsolete.

Again, it is not a matter of deciding or negotiating, but of informing and debating as openly as possible – to allow all voices to be heard. In this respect, we can only encourage the Director-General to convene informal meetings of Heads of Delegations. He is perfectly qualified to do so. That is his role. This is the meaning of his function.

We will not comment here on allegations of bias against the Secretariat and some of its members. I should like to emphasize that this delegation has always been satisfied and impressed by the integrity, impartiality and professionalism of the Secretariat and its staff, under the leadership of the Director-General. And we very much hope that they will continue to work with the same exemplary code of ethics.

48. Montenegro

My delegation thanks you, Director-General for the transparency of your work and reiterates the full confidence in your leadership in preparations leading to MC11. In addition, my delegation extends a warm welcome to the Chair of MC11, Minister Susana Malcorra at the meeting today and confirms full support of my Government for Argentina's efforts to deliver a successful conference with the objective of preserving and strengthening the WTO.

Montenegro continues to be a staunch supporter for a global trading system based on rules at an important time for the World Trade Organization, but we share concerns that the WTO is facing serious challenges.

Let me briefly highlight some of them and the way Montenegro reflects on our future work, in line with our own priorities and interests leading to the MC11.

On fisheries subsidies, Montenegro is pleased that members agreed to move to the next phase of negotiations on fisheries subsidies after a surge of new and revised proposals aimed at reaching a decision by December at the Ministerial Conference were submitted. We are looking forward to receiving a document compiling the proposals in the form of a matrix, which is intended to help members firm up positions over the summer ahead of intensive September negotiations. We use this opportunity to recognize Chair Ambassador McCook and the Secretariat for their outstanding conduct of the meetings on this extremely complex subject. Montenegro will continue to participate actively and constructively in the future work on this important topic and to advocate solution-seeking approach in line with our Strategy for fisheries 2015-2020 and based on the 14.6 UN Sustainable Development Goals (SDGs) of 2030.

Agriculture remains an important issue in the negotiations leading up to the WTO MC11 Ministerial Conference. We believe that the members should continue to close the negotiation gaps in the spirit of results of 2015 Nairobi Ministerial Conference that led to the historic reform of global export competition rules in agriculture. Montenegro joins calls of those delegations urging the WTO founding members to match the commitments taken by the recently acceded member countries. In this context we take note of the recent submissions, including the EU and Brazil's joint proposal on agricultural domestic support for agricultural production and food security measures, which is introduced as "both ambitious and realistic". We believe that this proposal offers opportunity for further constructive negotiations and that proponents should remain open to take into account some of the concerns expressed by some member states towards reaching the pragmatic common ground.

On e-commerce, we were enlightened again yesterday during the seminar on bridging the digital divide /on the nexus of e-commerce and investment facilitation for the economic development and the importance of the WTO to step up and continue to update its system in line with the accelerating changes of the global economy. As mentioned by one of the speakers yesterday – the WTO and its membership are held accountable to moving ahead in supporting digital prosperity and that lagging behind is not an option. That is the reason that Montenegro will continue its strong support to the submission of the EU and the group of countries related to the specific issues on relationship between trade policy, the WTO and digital economy. We believe that this proposal reflects way forward, including the latest submission on "online transactions" containing the set of

concrete rules in electronic transactions such as: e-contracts, e-signatures, and regulatory frameworks pertaining to consumer protection (against spam). In addition, we welcome further initiatives, some of them already circulated as guidelines for our discussions on future work regarding e-commerce, both in substance and process, from now to MC11 and beyond.

Finally, and we keep on highlighting this important issue, Montenegro will continue to support the expansion of the WTO as accession to this central multilateral trading institution has a critical transformational power in economic and structural reforms of the acceding countries. With additional flexibility and efforts we should be able to welcome new members at the MC XI. To this end we would like to see the intensifying of accession process of Comoros, Sudan, Belorussia, Azerbaijan and particularly accession of our neighbors Bosnia and Herzegovina and Serbia as their membership to the WTO would be a value added to the stronger and more transparent economic integration of the Western Balkans region.

In conclusion, Montenegro calls on the key members to engage their capitals and provide political and expert focus in support to the successful MC11 and possible tangible deliverables for the sake of strengthening the WTO.

Montenegro is looking forward to continue contributing constructively to these efforts in the months to come.

49. Thailand

Thailand associates with the statement to be delivered later by the Philippines on behalf of ASEAN and by Switzerland on behalf of the Friends of the System at the Informal HODs. We fully support the Director-General for convening the Informal HODs.

With MC11 just around the corner, intensive work is needed if we are to deliver meaningful outcomes in Buenos Aires. For Thailand, we view that the outcomes in Agriculture are still very much possible. This includes domestic support, public stockholding for food security and with its convergence by the broad Membership's export restrictions. We look forward to intensive sessions after the summer break.

On domestic regulation, Thailand will continue to engage constructively in the discussion on the mandate on Article VI.4 of the GATS. In this regard, we look forward to seeing consolidated draft text in order to move the discussions forward.

On fisheries subsidies, we support the discussion in this area with the view to achieving a meaningful and appropriate outcome for developing countries on fisheries subsidies with effective S&D as an integral part of such outcome.

Thailand is also supportive of continued information exchange, exploratory discussions and consideration of possible areas of cooperation on issues such as e-commerce and MSMEs in order to facilitate the integration of MSMEs into the global value chains and enhance the development and inclusiveness in world trade of developing countries and LDCs.

50. Mozambique

We align our intervention with the statements delivered by the African, and LDC's Groups, including that from C4 on Cotton.

The meeting takes place at a time when all members are deploying efforts in the implementation of the various WTO Ministerial and General Council decisions. We are also engaged in advancing the implementation of the 2030 Agenda for Sustainable Development adopted by the UN General Assembly in 2015, to which Trade is a crucial component given its very important crucial role, as an engine for development.

Allow us to address our gratitude to the Director General and to Chairs of the different negotiating Bodies for the exhaustive information on the status of the work since the last TNC, including consultations held so far.

We would also like to take the opportunity to thank H.E. Minister Susan Malcorra, for the statement that is very supportive to the Multilateral Trading System and to the work of the WTO, and very encouraging, mainly in reminding us, by re-stating the relevance of not leaving no one behind in our way, struggling towards development.

The reports, presented this morning, show that, all efforts have been being devoted to advance negotiations aiming at achieving substantive outcomes at the 11th WTO Ministerial Conference to be held in Buenos Aires.

Mozambique thankful, takes good note of the update on the work that was done, as well as of the ongoing work. In the meantime, we would like to recall the Ministers recommendation to advance the LDC's issues, as a matter of priority.

Concretizing this recommendation, Mr. Chairman, would, in one way be a step forward in responding to the efforts to implement the principle recommending to 'leaving no one behind' under the Sustainable Development Goals.

Mozambique's priority issues are, among others; Agriculture and Cotton subsidies, Special and Differential Treatment, Public Stockholdings for food security, fisheries subsidies with negative impacts to economies.

We are of the view that Member's engagement must follow the existing mandates so as to be consistent with the type of Organization we are all engaged in, which is a rule based one, and also for Members to be consistent with Paragraphs 31 and 34 of the Nairobi Ministerial Declaration.

We conclude reiterating our commitment to continue engaged constructively to advance DDA, as well as other Ministerial Decisions and recommendations of the General Council, under the bodies for each subject matter.

51. Mexico (Second Intervention)

We consider it necessary to intervene because of our concern after hearing what has been said about the Informal HODs. The Informal HODs has already happened in the past. I have been part of this practice and have witnessed this on different occasions throughout the year. The Director-General has the prerogative of calling consultations at the HODs level on issues that he deems necessary. That is why questioning such prerogative makes no sense to us at this juncture.

We believe that we should not be dragged into a debate which dangerously could lead to jeopardizing the Director-General's freedom of movement – with who, when and what he can consult. He must be able to do this and he does so in full transparency. This is in fact even more important now due to the sense of urgency of achieving consensus in Buenos Aires.

We have heard this morning from Minister Malcorra a very clear call to act with a sense of urgency. We do believe that this is precisely what should prevail here when we hold our deliberations. Mexico is clearly opposed to attempts to try and limit this deliberation – a deliberation which is taking place in an open and informal context. The Director-General and the Secretariat can count on our full trust and support to lead the work before us.

52. Jamaica (Second Intervention)

We recognize the role of the Director-General as Chairman of the Trade Negotiations Committee recalling as others have the appointment of the occupant of the office of Director-General as ex-officio chair of the TNC at the first meeting of this body in 2002. This TNC function is in line with the Doha Development Agenda and its processes. We understand that its parameters are set and the Director-General's role as its Chairman would be within those set parameters.

We also recognize the need to separate and clearly understand the link between informal and formal processes. Clearly, an informal TNC to consider negotiating matters for decision must be followed by a formal sitting of the TNC for decision and further action. We all know that the need for this has been rare, unfortunately so. Hence, we have this extensive discussion focused on how the Chairman of the TNC would report to the GC on TNC activities – a matter which has been

conflated into a sense of importance well beyond what it would naturally occupy, not on how informal discussions would be converted into decisions for further action.

We further recognize that we have a long history of HODs meetings convened by the Director-General with specific reference to his role as Chairman of the TNC or efforts by Members to seek to have explicit reference or to limit the scope of such meetings explicitly to TNC specific matters including with respect to the scope and subject matter of his reports. In short, by acquiescence, we have so far accepted the form of HODs meetings that has not been circumscribed. No questions were raised and no clarifications were sought on these many occasions.

Nevertheless, we take note of the desire of some Members to have clarity on this matter at this time and respect the views so expressed. We have no difficulty with the separation of the informal TNC meeting from any other aspect of a meeting of HODs understanding that some might be of the view that this would simply be the understanding of your reporting on TNC matters to the General Council. However, we do not see this as an impediment to the convening of Members by you in informal HODs format for the delivery of your transparency reports and for discussions thereon or for discussions on other matters of common interest should Members so wish.

We are not of the view that the Director-General is estopped from convening HODs for any other purpose than to undertake TNC specific discussions. If there is written in any canon such a restriction, it would be important for that to be brought to the attention of Members. Furthermore, we would not as a small delegation wish to be deprived of the opportunities that open HODs meetings would provide for information sharing and engagement across a range of matters in a non-negotiating format.

We also recognize of the capacity of the Chairman of the General Council in convening informal HODs meetings but understand that this is not a matter for discussion at this time.

53. United States

Most Members understand that there is likely no Member that is more devoted to the notion that this is and must remain a Member-driven organization than the United States. If you doubt it, you can ask many members of the Secretariat staff who have had their hands slapped ferociously by our delegation over many years. But we pay the Director-General through our assessed contributions to the budget to consult with us and with other Members on a very broad range of issues that are both within and outside of the scope of active negotiations.

These are issues that matter to us. We need to hear from him – and in a transparent manner – on what he has heard from us and others and how he, given his role as the Chief Executive of the Organization, is processing that information. It is not just that we need to hear from the Director-General. We are deeply interested in hearing what other Members have to say in response to what the Director-General tells us. For us, it will be deeply troubling if we did not have this opportunity.

We fully agree with the statements that have been made that any new multilateral negotiations can only proceed on the basis of multilateral agreement to start these negotiations. The United States would have extremely significant concerns if we felt that an informal HODs was in anyway being stylized as a negotiating forum or if we felt that the Director-General was adopting any sort of a right of initiative in any respect in convening or directing such a meeting. But that was clearly not the case here.

54. Singapore (Second Intervention)

Members, amongst us, we may have disagreements on matters of substance and process but we should not take it out on the Secretariat especially when the Secretariat is doing its job. In this respect, the most important element of what I want to say now is basically I want to recognize and thank the Secretariat under the leadership of the Director-General for your professionalism, integrity and conduct. Please keep on with the good work. Do not be fazed by our tensions. Be stoic.

55. Peru (Second Intervention)

We have taken the floor again because of the turn the debate has taken on your roles and functions as the Director-General. I would like to convey to you our support to all the efforts you are making to facilitate our work and help Members take the decisions to reach agreements to the benefit of all.

56. Nigeria (Second Intervention)

The Government of Nigeria has absolute confidence in the Director-General and in his office ex-officio. This is about the fourth in thirty years of involvement with the WTO and the process leading up to the establishment of the WTO that I have been involved with discussions on the role and job description of the Director-General. There was a small group meeting in 1994. I do not see any of the individuals around where there was an attempt to define the particular roles and responsibilities of the Director-General. Eventually, after about a week of trying, what we decided was that we will not continue with that exercise because knowingly or unknowingly Singapore and Jamaica have stated, the role of the Director-General ex-officio is actually unqualified.

Secondly, what we had in that discussion is that classically, the Director-General ex-officio is the guardian of the system and giving yourself feedback from the past in discussions in which I was involved in this organization in the few years leading up to the establishment of the WTO. So we need to know where we are. This is not a new debate. We can take it. Even if it is personal but we will not be personal. Those who cannot take the heat should leave the kitchen.

But the point is this. The Director-General has the prerogative to convene meetings here in terms of the formal TNC. He also has the prerogative to convene informal meetings. He can do that in different formats and configuration. That right and that prerogative is unabridged.

We have confidence with the WTO Secretariat and its staff. I have been a delegate then I joined the Secretariat then I left to go back to a sovereign delegation. We are having a satisfied conversation on that. This is nothing to be terrified or entering into a situation which people are put in a corner. These positions are formal and they are not going to change.

For reasons of transparency, information sharing and exchange, it is right that the Director-General is able to convene meetings of a formal nature and convene meetings of an informal nature and do it clearly based on the parameters that have been spelled out by Jamaica – when it is informal, you say it is informal; when it is formal, you say it is formal.

Nigeria shares the positions expressed by Singapore, Norway, Switzerland, Mexico and the United States.

57. European Union (Second Intervention)

On the question of the possibility for the Director-General to call informal HODs, we are actually quite surprised of it being raised at all. Indeed, there have been called several times of informal HODs to date – also between 1996 and 2001. The establishment of the TNC has not done away in any manner with the possibility nor the need for the Director-General to consult Members and deliberate in an informal fashion. Moreover, the TNC and the informal HODs are by no means rivals. The informal HODs has never been designed as a negotiating forum.

On the professional quality of the WTO Secretariat, I can only say that in our view, it is second to none. It is actually an example for many international organizations.

58. Director-General

In 2013, I was nominated by you to be the Director-General. At that point in time, I received a flurry of delegations, Ambassadors and Ministers who wanted to talk to me. I never felt so important but I knew that the importance was not because of me but because of the position of Director-General. They were talking not to me but to the Director-General of an organization that they valued. In those conversations, several delegations came to me and they said that their number one priority was to get rid of the lack of transparency that existed in this organization starting with the GATT and in the early years of the WTO.

One clear example that I have to give you is that before, when I was Ambassador for five years at the WTO, every single time that we had the General Council, there was a green room meeting the previous day. At that point in time, the Director-General consulted with Members and he talked about several different things. Around thirty delegations took the floor, spoke and interacted with each other. I always felt a bit strange that we were having that conversation with only those. And I promised to the delegations, Ambassadors and Ministers that came to me in 2013 that I was not going to repeat that practice. And I will not. But not at the cost of lack of transparency.

In the lead up to Bali, everybody was sleepless in Geneva – losing nights and concentrating on the work. After Bali, in 2014, we had another crisis because of the adoption of the TFA Protocol. We were all overrun by all those things. So in the second semester after the summer break, I thought it was time that we started to have conversations because things were coming up. We were not only dealing with the implementation of Bali and the DDA. There were many other things that were happening at that point in time. They were not the so-called new issues. During that period, I was holding meetings in various formats informally with delegations trying to see whether we could solve the Doha Round. We had several meetings to see whether we could make it work. I was welcoming new ideas and I was inviting you to be creative and forthcoming.

During the second half of 2014, I thought we had to find ways to be more transparent and inclusive, particularly before the General Council meeting. So I decided that instead of doing the Green Room that we used to do before I took office, I convened Informal HODs where everybody could be invited and could speak their minds about anything. It was not a negotiating forum. It was just an informal process where Members could talk to each other. There were no new issues and no hidden agenda. It was a transparency exercise which started in September 2014.

I was not concerned with the TNC at that time because, as had been pointed out by Jamaica, at that time I informed Members that the DDA negotiations were mostly done by the Negotiating Group Chairs. They were the ones who had to make things work. I was going to help to the extent possible. I was trying to do that very intensely as well.

In the informal HODs, we would make all those statements and I was not very concerned whether it was done in an informal or formal setting. We usually convene a formal meeting when we need to take a decision. Unfortunately, that has not been the case for quite some time. It has always been informal and we formalized those comments in the General Council. All those comments and positions were reflected in the General Council under the Agenda Item on the Report of the Chairman of the TNC. By the way, we had twenty-two meetings like that.

At our last meeting, the representative of Cameroon mentioned the fact that we had not had a TNC for quite some time and that maybe we should come back to that practice. In good faith, I thought that was a fair request. Although, from my perspective, I thought we were already doing that because we were having these informal HODs where people were talking about TNC issues. I was giving reports and the Negotiating Group Chairs were also giving reports, which were all reflected at the General Council. If some Members wanted to constrain those proceedings with the TNC title, and many of you here indicated the mandate where that came from, the reality is that they want apparently to have a conversation that has to do with the mandate more strictly speaking of the TNC.

So I said, let's have that conversation. I will save the transparency exercise for another meeting. It is not creating a negotiating forum as I cannot create one. Members cannot create a negotiating forum individually. Only by a multilateral decision can you do that. That is where you can create a negotiating forum and it needs to be decided by the Ministerial Conference.

By the way, the General Council may also do that between sessions of the Ministerial Conference. Only the Ministerial Conference and the General Council can create a negotiating forum. I cannot take seriously the notion that I am creating one after twenty-two sessions of the informal HODs. It just does not make any sense.

From my perspective, this is simply a transparency exercise. This is something that I promised to people who came to me and said that they wanted this organization to be transparent and inclusive. You cannot be selective and be transparent and inclusive in some situations because you

like it and not in other situations because you do not like it. Transparency and inclusiveness has costs and benefits. That is the reality.

That is where we came from. I could have an informal HODs with two, three or twenty but I prefer 164. It could be in my office or anywhere else, but some delegations suggested to hold it in the Council Room, where everybody fits. I said no problem. You can bring whoever. You do not even have to be a Head of Delegation to be in a HODs meeting under my tenure.

I want to assure you that as far as I am concerned, the informal HODs is solely a transparency exercise and I would talk about different things which do not necessarily fit under the TNC. You cannot have it both ways and say you want to have the TNC because you want to talk about Doha but you also want to talk about other things. You cannot have the cake and eat it too. You have to choose. Either you want to have a conversation about Doha or you want to have a conversation about everything. For those who wanted to limit the discussion only to the mandate – I said ok, let us do the TNC. But there are also other things. I have a report on the Aid for Trade Review. I want to talk about the WTO Public Forum. There are other delegations who want to talk about other situations which have nothing to do with negotiations. And I cannot stop them from having that conversation. Why would I do that? Now, that is the purpose of the Informal HODs. It is not and cannot be a negotiating forum.

I cannot help those who want to push for new multilateral negotiations. Those of you who are interested in talking about e-commerce, MSMEs or investment facilitation – I cannot do that for you. If you want a multilateral negotiation, you need multilateral consensus. When people talk to me about Paragraph 34 of the Nairobi Ministerial Declaration – for me it is stating the obvious because you need consensus to launch a multilateral negotiation. There is no other way.

I cannot help those who want to have that. They have to convince the Membership if they want to have negotiations that are truly multilateral. But that does not preclude them from having conversations and I will not – cannot - stop that. And that does not preclude them from doing plurilaterals. We have seen plurilaterals. We have annexes with plurilaterals and they have been able to reach plurilateral outcomes that we all know about. I have constantly said that my preference is multilateral. But you should decide on how you want to do this.

As far as the Secretariat is concerned, please be at least fair with them. Think of what you are imposing on the Secretariat. Some of you want to talk only about the DDA – nothing else. Some of you don't want to talk about the DDA. You want to talk about other things – if at all. Some of you want to talk about both. How does the Secretariat react? What I told the Secretariat is, whenever you are approached by one or a group of delegations and they ask for your support – give it. It does not matter which issue it is – whether it be MSMEs, e-commerce, public stockholding, industrialization of Africa or any other issue. They should give whatever support delegations ask for. That is the only way of being neutral because if they deny the support because another Member does not like it then they are not being neutral. They would be taking sides with those who don't want to have that conversation. That is not the Secretariat that is going to decide that. You decide that. I stress once again that the Secretariat will be supportive to any delegation that asks for support because that is their job. That is my instruction to the Secretariat and I hope that you will be fair in assessing their position which is extremely delicate under the present circumstances.

Those are a few things that I wanted to tell you. As for the role of the Director-General, I will not get into that. You do not think I read the agreements and texts addressing what the role of the Director-General is? Unfortunately, there is not much guidance there. I have to do what my ethics tell me I should do. My priority is to preserve the multilateral trading system. I have no doubts about your good intentions. Everybody here says that they want to preserve the system. But in trying to do that make sure you do not destroy it.

59. India (Second Intervention)

We thank you, Director-General, for your statement and clarification. Your statement is reassuring that the informal HODs has never been, is not and will never be a rival negotiating forum for the TNC. That is exactly the point that we made in our statement that the TNC is mandated by the Doha Ministerial Declaration. It is the sole negotiating body and it has to be the forum for negotiations during this round. As far as the competence or the right of the Director-General to call

a meeting of informal HODs is concerned, we have no issue as long as the informal HODs relates to issues of transparency, of sharing of information and of other things.

60. Kenya⁵

We cannot be oblivious of the current challenges that the multilateral trading system is facing. The value of the system, which has done so much for the security and prosperity of the world is being questioned. In that regard, Kenya appreciates the engagement the DG has had so far which has encouraged delegations to focus their discussions on possible deliverables at MC11, which would invigorate the multilateral trading system.

We also note with satisfaction the recent flurry of proposals in the various Negotiating Groups. This shows the commitment of Members to the multilateral trading system and the desire to achieve success at Buenos Aires and build a more equitable system which accommodates the interests of all Members, particularly least-developed countries and other developing countries which are yet to derive significant benefits from it.

However, we need to take into account the lessons we learned from the Bali and Nairobi Ministerial Conferences. We need to shift gears and identify as a matter of priority issues that could constitute elements for MC11 deliverables.

From the statements delivered thus far, it is clear that Members want a successful MC11. We would encourage Argentina, as host country, to continue to intensify its contacts with Members and inject political goodwill into the process. We wish to remind Members that the Nairobi Ministerial Decision provided political guidance on how to accelerate discussions on some of the issues, particularly those of interest to developing countries, including Public Stockholding for Food Security. It is important for Members to show flexibility and goodwill when we resume our discussions after the summer break in order to accelerate the negotiations and reach positive outcomes in Buenos Aires.

As previously noted, Kenya would like to see an outcome on fisheries subsidies at MC11. We would like to express our gratitude to Ambassador McCook of Jamaica for his relentless effort in intensifying discussions in the Negotiating Group on Rules and his decision to circulate a compilation of all the proposals that have been submitted thus far to be the basis of our work after the summer break.

Development should be a common tread in all the issues that the DG and Chairs of the various Negotiating Groups will be consulting on after the summer break. We therefore expect Members to show flexibility, so that we can have a development-oriented outcome at MC11. In this respect, we support the statement by made Rwanda on behalf of the Africa Group and Indonesia on behalf of the G33.

In conclusion, we wish to note the desire of many Members to complete preparations for MC11 before we get to Argentina. Kenya shares the same desire, and is ready to work with all delegations in a constructive manner and secure outcomes which would strengthen the multilateral trading system for the benefit of all countries.

61. Kingdom of Saudi Arabia⁶

The lack of progress in various areas of WTO negotiations is currently hindered by certain impasses, which have not yet been overcome by Members. This situation is particularly worrisome in light of the challenges facing the international trade and the global economy. What we do in the WTO has a direct impact on the standard of living and quality of life of millions of people around the globe.

One of the key messages contained in the preamble of the Marrakesh Agreement is that trade should be conducted with a view to raising standards of living, and the WTO agreements are

⁵ At its request, this statement of the delegation of Kenya is also incorporated in the minutes of this meeting and is annexed together with the statements that were made at the 25 July Informal TNC Meeting.

⁶ At its request, this statement of the delegation of the Kingdom of Saudi Arabia is also incorporated in the minutes of this meeting and is annexed together with the statements that were made at the 25 July Informal TNC Meeting.

conceived as a means to achieve that purpose. The preamble also reflects the view that participation in the growth of international trade is essential for the economic development of developing and least-developed countries (LDCs).

While we recognize that, there has been an active engagement in the last few weeks among members in discussing the way forward on various areas of WTO negotiations. In addition, many WTO members have recently submitted various proposals to revive the efforts in moving the negotiations ahead. We noticed that these efforts in the previous weeks among members brought them no closer on how to proceed.

However, this should not frustrate us from continuing our work in a positive manner to achieve a successful negotiated outcome for the 11th Ministerial Conference. We should continue our work with a good faith and to have frank discussions to reach at a common understanding of the issues where we can have deliverables at MC11.

After the summer break until the time of conducting the MC11, we should make sure that we use this time wisely and with a sense of urgency. This only can happen, if members work in positive spirit and show the necessary political will and flexibility in the work ahead.

We must try to achieve a successful negotiated outcome for the 11th Ministerial Conference. We all need to believe that any Buenos Aires outcomes will not be the end of the road. A post- Buenos Aires process must, however, prioritise the issues of interest to all WTO members.

Finally, the Kingdom of Saudi Arabia reiterates its commitment to the Multilateral Trading System and remains ready to engage constructively in the work ahead.

ANNEX 4**REPORT BY THE DIRECTOR-GENERAL AT THE INFORMAL HEADS OF DELEGATION MEETING HELD ON 25 JULY 2017****Report by the Director-General**⁷

Let's now move on to the informal Heads of Delegation meeting. Again, this is intended as a transparency exercise. So I will start with a brief overview of my various meetings and consultations, before opening the floor to Members.

Since the informal HoDs meeting on 8 May, I have visited a number of Capitals and met with a broad range of stakeholders including leaders, government officials and the private sector.

I have attended a series of high-level meetings, namely: the 'One Belt One Road' Forum in Beijing; the APEC Trade Ministers' meeting in Hanoi; the OECD Ministerial meeting and the informal gathering of Ministers in Paris, which was organized by Australia and co-chaired by Minister Steven Ciobo and Minister Malcorra; and, finally, the G20 Leaders' summit in Hamburg earlier this month.

In terms of bilateral visits, I met with the Prime Minister of Japan, Shinzo Abe, in Tokyo, and held meetings with a number high-level government officials and private sector representatives. I travelled to Washington to meet with the new administration, including the new USTR Robert Lighthizer, the Commerce Secretary Wilbur Ross and the Treasury Secretary Steven Mnuchin. In Brussels I met with European Commission President Jean-Claude Juncker, and addressed the EU Parliamentary Committee on International Trade. And I visited Bucharest, where I met with Romania's President Klaus Iohannis, and other high-level government officials.

The Global Review of Aid for Trade here in Geneva was an opportunity to engage with a large number of Ministers from developing and least-developed Members – as well as representatives of the private sector and other international organisations. It also provided the opportunity to meet with the new African Union Commissioner for Trade and Industry, Albert Muchanga.

From the statements in the closing plenary, I think Members agreed that it was a very successful event, with in-depth discussions taking place on a wide range of development and capacity-building issues.

Throughout these various discussions – including over 25 bilateral meetings – I have sensed a continued high level of interest, engagement and support for the multilateral trading system.

Members recognize the important role that the WTO plays in ensuring stability, transparency and predictability of the global trading system and therefore the need to further improve and strengthen it. This is especially positive given the continued uncertainty in the global economy.

In addition, throughout these exchanges, I have heard consistent calls for a successful MC11.

The Ministerial Conference is clearly an important moment to demonstrate that the system works to support all countries' economic growth and development.

To deliver on this we need to ensure that our work is relevant to the challenges faced by the users of the trading system. And therefore I am pleased that interest from the private sector in the work of the WTO continues to be very high. And that was very clear in the Aid for Trade Review. I also had a meeting there with representatives of the multilateral development banks from several regions where we had a conversation about trade finance. I was particularly concerned with the fact that in several developing countries the financial system is not strong enough, especially for small and medium enterprises. It would be useful if the multilateral development banks and others could be more engaged to help ensure that the appropriate financing is available. That's something that I will continue to pursue potentially during the Fall meetings of the World Bank and the IMF. I may continue this conversation at the margin of those meetings.

⁷ The report was subsequently circulated in JOB/GC/135.

Let me also remind you all of the Public Forum which is coming up in September, with the theme of 'Trade: Behind the Headlines'. This event will provide a valuable opportunity for participants to examine a range of topical issues, including looking at how we can ensure that the benefits of trade are spread wider and understood better.

These issues were present in almost all of my exchanges with ministers – both bilaterally and in larger groups.

Interest in many different issues has been growing as demonstrated by the various events organized by Members. Recently, I have been invited to attend a number of informal dialogues and workshops. These have included:

- Yesterday's seminar, organized jointly by the Friends of Investment Facilitation for Development and the Friends of E-commerce for Development, on "Bridging the Digital Divide: Harnessing E-commerce and Investment Facilitation for Inclusive Trade and Development".
- An Open-Ended Dialogue on the E-commerce Ecosystem organized by the Friends of E-commerce for Development last Friday, 21 July.
- A Workshop on Investment Facilitation for Development organized by the Friends of Investment Facilitation for Development held on 10 July.
- And an Informal Dialogue on Micro, Small and Medium Enterprises held on 29 June, organized by the Friends of MSMEs

As you know, these issues also emerged as prominent themes during the Global Review of Aid for Trade.

Ultimately, it will be up to Members to decide whether and how to conduct and advance those conversations.

ANNEX 5**STATEMENTS BY DELEGATIONS AT THE INFORMAL HEADS OF DELEGATION MEETING
HELD ON 25 JULY 2017**

Following the Director-General's statement at the above-mentioned meeting, the statements of Costa Rica (Friends of E-Commerce for Development); Argentina; Switzerland; Dominican Republic (IGDC); Brazil (Friends of MSMEs); Australia; United States; Canada; Philippines (ASEAN); Colombia; Qatar; New Zealand; Japan; Norway; Pakistan; Chinese Taipei; Russian Federation and European Union are included below as part of the Minutes of the General Council meeting.

1. Costa Rica (Friends of E-Commerce for Development)

The FEDs were created to bring together ideas to support solutions for the challenges and opportunities faced by developing members entering the digital economy. The FEDs view e-Commerce as a tool that brings together the digital, social and development agendas and as an enabler of sustainable and inclusive growth for MSMEs, especially those from developing and least developed countries.

The FEDs are now represented by twelve members from different regions and with different levels of development. Moldova and Kazakhstan have recently joined, and they have enriched the group with their experience on e-governance and a new geographical perspective as landlocked developing countries. This remains an important element of the development agenda, clearly identified in the Sustainable Development Goals.

What first started as a collaborative effort to create awareness, exchange ideas and share experiences, has evolved into a broader approach to the discussion of e-Commerce, both at the WTO, and in other fora and contexts.

The group's first Ministerial meeting in April 2017, at UNCTAD's e-Commerce Week, was attended by FED Ministers and other invited authorities from developing and least developed countries, who actively engaged in the discussion. As a result of this Ministerial, the group presented a Roadmap consisting of seven key areas the group believes can lead to action to tackle the challenges mentioned earlier.

Throughout this endeavor, the group has relied on the guidance and support of UNCTAD's e-Trade for All Initiative, the WTO, the ITC and the ITU among many other stakeholders.

In this spirit, the FEDs launched last Friday, 21 July a series of *e-Dialogues* leading up to MC11, with the purpose of providing an informal and open setting to discuss specific issues related to the development dimension of e-Commerce within the different pillars that have been identified throughout our past seminars and discussions. In the lead to Buenos Aires, we welcome all feedback and additional ideas to ensure that the *e-Dialogues* are truly inclusive and effective.

The FEDs are an informal, non-negotiating group, with the belief that the WTO already has the necessary framework to facilitate the participation of developing and least developed countries in e-Commerce, and although some provisions need to be updated, improved or addressed at the national level, many relevant others already exist in the context of international trade rules and standards. In fact, the Sustainable Development Goals underpin the direct impact of electronic commerce on development, particularly through job creation, economic growth, promoting innovation, developing infrastructure and furthering the empowerment of women. The task is for this House to undertake.

This conversation should be constructive and pragmatic. Decision-making can be facilitated by defining what already exists under the WTO's legal and regulatory framework as well as to what each member has already committed to. We believe that existing provisions in the WTO Agreements can work as a point of departure and members can benefit through individual assessments that can help us all have a clearer picture of where we are and what needs to be achieved.

2. Argentina

Allow me to inform Members on the informal dialogues on investment facilitation for development. When Members launched the WTO informal dialogues on investment facilitation for development, the aim was to create a transparent and inclusive process that could invite and indeed encourage the participation of the WTO Members.

It was also agreed that the informal dialogue would not address topics such as market-access, investment protection or investor-state dispute settlement. And it was made clear that the informal dialogue was not a negotiation process, nor would it attempt to prejudge Members' positions on any of the subjects being discussed or on any potential future steps.

Since its launch, the informal dialogue has held three meetings. The inaugural meeting focused on the growing linkage between trade, investment and development and the importance of coherent policy approach. The second meeting, focused on improving regulatory transparency and predictability.

Many delegations reported on efforts to improve transparency of their investment regimes. A number of Members shared their experience with the establishment of operations of a single electronic window, branching from simple enquiring points to integrate a business registration portal. Some Members stressed the need for technical assistance and capacity-building to support investment facilitation efforts in developing countries.

The most recent meeting of the informal dialogue, in July, focused on stream-lining and speeding up administrative procedures. A number of Members shared experience and provided concrete examples of successful implementation of streamlining and simplification of administrative procedures for investment as well as single-window mechanisms. They felt that the discussions should focus on how the WTO could add value to countries' national investment facilitation policies.

After the summer break, the informal dialogue will continue its discussion and experience sharing.

3. Switzerland

I will present a communication which has already been referred to by some delegations in the debate during the TNC.

Director General, I am making this statement on behalf of the following 47 Members of the WTO: Albania; Argentina; Australia; Bangladesh; Benin; Canada; Chile; Colombia; Costa Rica; the Dominican Republic; Ecuador; El Salvador; Ghana; Guatemala; Hong Kong, China; Iceland; Israel; Kazakhstan; Republic of Korea; Lao PDR; Liechtenstein; Malaysia; Mexico; Montenegro; Republic of Moldova; Myanmar; New Zealand; Nigeria; Norway; Pakistan; Panama; Papua New Guinea; Paraguay; Qatar; the Russian Federation; Singapore; Sri Lanka; Switzerland; Chinese Taipei; Thailand; the Former Yugoslav Republic of Macedonia; Tonga; Turkey; Ukraine; Uruguay; Vanuatu and Viet Nam.

And this is the statement⁸:

"We, a group of 47 developing and developed Members, are strongly supportive of the Multilateral Trading System and are concerned that the WTO is facing challenges.

In recent months, Members have submitted ideas and proposals both on longstanding negotiating issues and other topics as part of the preparatory process for the 11th Ministerial Conference (MC11) in Buenos Aires. However, to date, the political will to find compromises and to forge consensus is lacking. Even the legitimacy of discussing topics of interest to Members has been put into question.

Other important functions of the WTO are also facing challenges. *Inter alia*, compliance with notification obligations is often unsatisfactory, thereby undermining the WTO's monitoring function; and various issues are affecting the functioning of the WTO's dispute settlement system.

⁸ The statement was subsequently circulated in WT/GC/184.

We call on Members to safeguard the integrity of the open, rules-based Multilateral Trading System embodied in the WTO and to work together to ensure its sound functioning. The WTO continues to be essential to achieving inclusive and sustainable global growth and development, including through the further integration of LDCs into world trade. MC11 presents an important opportunity to reaffirm the centrality of the WTO.

We welcome the commitment from the recent G-20 Summit in Hamburg to make MC11 a success. We urge Members to engage constructively, to consider proposals on their own merit, and to work towards pragmatic outcomes. It will be important that Ministers provide political guidance on outcomes for MC11, including on the WTO's future work."

This is the end of the statement.

We would like this communication to be included in the Minutes of the meeting of the General Council and to be circulate as an official WTO document.

For the time being the communication is available as a room document. The list of co-sponsors is not closed yet and Members wishing to join this initiative as co-sponsors are most welcome, and they should inform us about their intention. They can do this at this meeting or even during the meeting of the General Council tomorrow.

4. Dominican Republic (IGDC)

The Informal Group of Developing Countries expresses, in these moments of great uncertainty, our firm support for the multilateral trading system and the World Trade Organization and our strong desire to reach a positive outcome at the next Ministerial Conference. We are firmly of the view that the WTO brings predictability and security to international economic relations. This organization has promoted the integration into a rules-based multilateral trading system for a growing community that started with 128 members in 1995 and already represents 164 members, showing its relevance in multilateral economic governance. We also believe that trade is a tool for development and economic empowerment that leads to the elimination of poverty and the creation of decent employment opportunities. We should therefore ensure that development remains at the centre of the WTO's work.

The Group would also like to highlight the importance of technical assistance pillar of WTO and notes with concern that voluntary contributions to the trust funds that support this assistance dropped 30% in 2016 compared to 2015. We encourage donors to continue providing the necessary funds for the sustainability of the WTO's technical assistance programme.

This organization must continue its efforts to strengthen its negotiating, monitoring and dispute settlement pillars and decision making processes. These processes should uphold the principles of transparency, inclusiveness and full participation. Decisions made by consensus with full ownership by all members ensure that the legal instruments of the organization bring predictability and security in international economic relations. Taking these elements into account our priority should be to ensure that globalization works for all by strengthening the system, delivering new reforms and resisting the imposition of new barriers to trade. These reforms would help in ensuring that the WTO continues to deliver positive outcomes that support the implementation of the SDGs and the 2030 Agenda for Sustainable Development.

5. Brazil (Friends of MSMEs)

In the last General Council on Thursday 18 May, some Members expressed their willingness to work together to make trade more inclusive by supporting MSMEs' greater integration in global trade.

The "Friends of MSMEs" is an open and informal group consisting of 24 Members at this moment, including developing and developed Economies, with a diverse regional representation.

I would like to share with you from the onset, our group has organized 4 open-ended meetings, with the aim of discussing and fostering the participation of MSMEs in regional and global markets, and identifying possible ways forward on MSMEs in the WTO, based on concrete proposals and suggestions submitted by Members.

In one of these meetings the 3 main authorities of the WTO, UNCTAD and ITC were present.

We note that more than 50 WTO Members have participated in each of these informal dialogues.

Also, in Chile's capacity as coordinator of Friends of MSMEs, Chile has made 2 statements on behalf of the Group, one at the ITC event on the first Micro, Small and Medium-Sized Enterprises Day, and during the fifty first session of the Joint Advisory Group of the ITC.

We believe that the WTO has a crucial role to play in making the participation of MSMEs in the global market more inclusive and productive. We also believe that MSMEs should become an important component of a development-oriented agenda at the WTO.

We encourage Members to actively participate in our meetings and consultations in the coming weeks and months. As of today, we have received a formal proposal by Argentina, Brazil, Paraguay and Uruguay and discussed the EU proposals on regulatory transparency and e-commerce and several other ideas put forward by other delegations, namely Switzerland and Chinese Taipei. We will work on these - and other proposals - which we may receive.

We will keep Members informed accordingly. It is a fact that MSMEs face specific challenges to fully participate in international trade, particularly those from developing and least developed countries. Therefore, our efforts at the multilateral level in support of domestic policies, regional and international development strategies to increase MSMEs' participation in international trade are more important than ever.

We aim at achieving important outcomes at MC11 in this area.

6. Australia

Australia expresses its full faith and confidence in the impartiality of the Director General and the Secretariat.

I'd like to acknowledge the Joint Communication made by Switzerland on the behalf of 47 co-sponsors, including Australia, who are concerned about the challenges currently facing the WTO. In the Joint Communication, we call on Members to safeguard the integrity of the open, rules-based Multilateral Trading System embodied in the WTO and to work together to ensure its sound functioning.

The WTO continues to be essential for global economic stability and achieving inclusive and sustainable global growth and development, including through the further integration of LDCs into world trade. Like other WTO Members, Australia has a strong commitment to ensuring that all countries can effectively participate and benefit from world trade.

With only four months until MC11, my delegation is uneasy about the current situation – a sentiment shared by many Members who have spoken today and at previous meetings.

At the Paris informal Ministerial Meeting on 8 June, organised and co-chaired by Australia and Argentina in the margins of OECD meetings, Ministers unanimously reaffirmed the importance of a rules-based multilateral trading system and the centrality of the WTO. Ministers noted areas where the WTO was imperfect and in need of reform, while reasserting its fundamental value as an institution.

There were differences in specific areas of emphasis and focus, but there was a clear commitment to finding ways to achieve negotiated, multilateral outcomes through the WTO's negotiating function. There was a call for realism and pragmatism in the lead-up to MC11 and beyond.

Ministers acknowledged there would be benefits to making incremental but meaningful progress on issues where convergence appeared achievable in the limited time before MC11.

In areas where new commitments were unlikely to find consensus, some Ministers suggested that a work program could lay useful groundwork for negotiations going forward.

At the Paris meeting, you, Director General, asked Ministers to instruct their Geneva delegations to remain ready to work constructively, and with a willingness to engage with greater specificity; and most importantly, to show open-mindedness and pragmatism. Ministers also urged Members to table textual proposals and to intensify their efforts in the lead-up to the summer break.

We want to acknowledge the effort made by many Geneva delegations over the six weeks since the Paris meeting. There have been many new and revised proposals and a marked uptick in the frequency and intensity of engagement. We have all been busy.

However, it's evident that wide differences in positions remain and there are few signs of convergence.

As we approach MC11, we will certainly need to shift gears and move quickly into negotiating mode. We are more likely to succeed if we focus our efforts on outcomes likely to benefit a wide range of Members – we all need something to take home to our stakeholders.

Recent successes at Ministerial meetings, such as the Agreement on Trade Facilitation, and the elimination of export subsidies, show that progress is possible when Members are pragmatic about their level of ambition.

For Australia, we are focusing attention on areas where there is widespread interest.

On agriculture, it's clear that there is widespread support for tightening of rules on domestic support for agriculture.

Australia's focus is to reduce the trade-distorting impact of domestic support policies.

It's crucial to address, in a concrete way, the unfairness of current rules.

We've heard the reservations of some major subsidisers about taking major steps this year, and are prepared to be pragmatic about possible outcomes.

As expressed in the Cairns Group's submission on Objectives for MC11 and Beyond, the outcomes we achieve on domestic support must cover all production and trade distorting support, must meaningfully reduce today's entitlements, and must include disciplines on product specific concentration of support, including on cotton.

We've heard reservations of some on taking major steps this year and we are prepared to be pragmatic.

We're also prepared to engage in discussions on an outcome on public stockholding for food security purposes.

On services, we should aim to build on current rules to reduce regulatory red tape, streamline procedures and improve transparency for services suppliers.

Given the preparatory work which has been undertaken and the high level of engagement we have seen from a broad range of Members, we see real prospects for reaching agreement on domestic regulation outcomes – provided Members remain focused on pragmatic results.

An outcome on e-commerce is important to maintain the relevance of the WTO, given the reality of modern global trade and to capture the benefits e-commerce brings for all, particularly for MSMEs. E-commerce is a powerful driver of trade, inclusive economic growth and development.

There has been a strong focus on e-commerce over the past year. Momentum has been building and we remain ambitious.

However, we need to shift from scoping work and preparatory discussions and focus on what can realistically be achieved at MC11 and on the scope and nature of future work in 2018 and beyond.

Regarding fisheries subsidies, Australia is actively participating in discussions on both the multilateral track and in the separate plurilateral process to deliver an outcome, in line with the UN

Sustainable Development Goals, by the end of this year. We're encouraged by the level of engagement, noting that nearly two-thirds of Members are now proponents for fisheries subsidies disciplines, and by the intensification of work.

We're also open to practical ideas to further facilitate trade or reduce trade costs and we welcome the work that has been undertaken on regulatory transparency and MSMEs, and the ongoing dialogue on investment facilitation for development. We also welcome support from the Membership on Australia's initiative for the duty free Temporary Admission of containers, pallets and packing.

We look forward to continued engagement over the summer break on these areas, as we seek to narrow differences and work together to develop a balanced and pragmatic set of outcomes for MC11.

7. United States

The United States considers that the membership is at an important moment for taking stock of our work so far this year and reflecting on the state of preparation for our upcoming Ministerial Conference.

It is also our view that we need, collectively, to begin thinking seriously about what lies *beyond* MC11.

First, I would like to acknowledge the good work being done by the Government of Argentina in preparation for MC11, and we welcome Minister Malcorra's active engagement as demonstrated by her presence in Geneva this week. The United States considers that we are in good hands for this ministerial. As Ambassador Lighthizer has mentioned several times, the United States is focused on a successful meeting of trade ministers at the end of the year.

But within the past few months, we have seen some startling evidence of just how far we are from consensus views on how to move forward with our work, whether in formal negotiations towards potential ministerial decisions, or even in the work of our regular committees or informal dialogues. We have recently experienced a highly unusual disruption in the normal business of the General Council, and what might have been useful technical discussions in our services council and related bodies have degenerated into rather metaphysical debates that have been frustrating for everyone concerned. Discussion of longstanding issues such as fisheries subsidies and agriculture, while certainly very active, appear to be encountering obstacles that have been familiar for quite some time.

At the risk of substantial understatement, it is our view that the membership is not in a mode of serious deal-making or rule-making for Buenos Aires.

When we offer this observation in private conversations with other Members here in Geneva, we are often advised that it's important to keep trying and pushing, and that it's too early to give up on notions such as negotiated outcomes or a negotiated ministerial declaration.

This may be the case, and the United States is not, at this stage, advising a general work stoppage on potential outcomes – although the moment at which we'll need to turn our focus in other directions may be fast approaching.

For today, we would simply leave our fellow Members with a few observations for reflection as we head into the coming quiet weeks.

The options before us seem, in our view, to come down to the following:

First, we can use the time we have left before December to begin to confront some of the systemic and institutional questions confronting our 20-year-old organization, in order to reinvigorate it and put it on the path towards a more successful and sustainable future.

Second, we can use MC11 as an opportunity to begin to define some areas for future priority work for the WTO in discreet areas of trade policy.

And third, we can continue striving for some set of non-controversial incremental rule-making outcomes for MC11.

Of course it is possible that MC11 could involve some combination of these three elements.

I would signal today, though, that, for the United States, it's the first pathway – addressing important systemic and institutional issues – that captures more of our imagination and a greater sense of urgency.

Drawing from our experience in the WTO, such work could include addressing deficiencies and gaps in notifications and transparency; improving the way in which we discuss the intersection of trade and development; ensuring that the dispute settlement functions of the WTO are working efficiently and consistent with the role our governments originally agreed to in the DSU; and examining the structures of WTO bodies to ensure that they are appropriately aligned to current trade realities.

These are tough issues, and would need to be approached in a realistic and deliberative manner.

But we are beginning to reflect on whether Buenos Aires could provide our ministers with a useful moment to tackle some long-neglected institutional issues and at least begin a discussion of the more challenging aspects of the functioning of the WTO, all with the common objective of making the WTO work better in the future and setting a positive and sustainable path for MC12.

To sum up, the United States is engaged in deep thinking about the future of the WTO, and we believe that the membership faces important questions: are we best off pursuing incremental negotiated outcomes for MC11? Or might it not be better to begin a process of dialogue about making the institution function better for the long-term, even if we know that such a dialogue will be very challenging?

We suggest that these may be useful questions for all of us to reflect on as we prepare ourselves for the final push to Buenos Aires this autumn.

8. Canada

Canada aligns itself with the statement made by Switzerland on behalf of a group of countries.

It is very encouraging to see the active leading role that Argentina is taking in the preparations for MC11. Canada is ready to assist in any way we can to help prepare for success in Buenos Aires in December. However, we have a lot of work to do between now and December.

These reports of the DG and Negotiating Group Chairs paint a rather sombre picture and remind us that we are far apart. Canada is concerned about state of play of not only negotiations but the overall functioning of the organization.

Many have opined that negotiated results for MC11 will, by necessity, be incremental at best – no big bang outcome – but outcomes are possible. Many agree on that.

We have to keep striving for that objective – but there aren't solid signs of convergence on any potential issues ... yet. There are encouraging signs in some areas, such as fisheries subsidies.

Canada's objectives are well known – primary among them is disciplines on agricultural domestic support – any progress, however incremental would be welcome. We are encouraged by the work, but not by the specifics of the proposals.

We have objectives in other areas as well – areas such as disciplines on subsidies to the fisheries sector, provisions on services domestic regulation, progress on addressing the problems that we face in the dispute settlement system.

On fisheries subsidy disciplines, we are looking for a high ambition outcome for something more than just a discipline on subsidies that benefit IUU fishing. The issues of overfishing and over capacity also need to be addressed, as it seems to us that prohibiting assistance for illegal activities is simply good governance. We need to go beyond this.

We have not forgotten that, at the centre of any and all issues that we address as an organization, development needs must be considered for those members that require assistance on the road to better integrating their economies into the multilateral trading system and the global economy.

We have to realize that, while many of the issues that we faced in 2001 are still relevant and still need to be addressed, the world of commerce and trade has changed in the intervening years and we need to also discuss and potentially negotiate in other areas that are increasingly more important in the 21st Century economy – issues such as:

- e-commerce – we believe we need to look at what can we do here to help promote and ease electronic commerce – this is a part of the way business is conducted today and it is much different even from how business was conducted in 1998 when our work programme on electronic commerce was initiated;
- Canada also believes we need to look at investment facilitation: investment is key to economic growth. No nation can develop without investment and very few can do it effectively without foreign investment and knowhow.
- Therefore, it is incumbent upon us to discuss and determine what can be done through this organization to facilitate investment.
- Canada also believes that we should have MSMEs in mind when we are discussing trade issues. For Canada, these businesses account for well over 50% of formal employment and close to 60% of GDP. As such, they are the engine of the economy and their success is vital to Canada's prosperity.
- The statistics are similar in most other WTO members, both developed and developing countries. This should be an issue that unites all of us.

We are well aware that all other members also have objectives, some the same as Canada's and some different – we stand ready to address all issues members raise to try to find mutually agreeable solutions.

Again, MC11 is important and outcomes, even if only incremental outcomes, are highly desirable but we need more than that from the ministerial conference. This is an opportunity for ministers to instruct us – their representatives here in Geneva – on what is important going forward and what we should be working towards post MC11 as we look to MC12, MC13, and beyond.

That work should not and cannot be limited to the negotiating agenda – the other pillars of WTO work through regular committees and trade policy reviews, as well as the important, unique function of the dispute settlement process need attention as well.

There is more we can do in regular committees – and this work and indeed the negotiating agendas would be greatly facilitated if we all fulfilled our notification requirements.

We are all acutely aware of the important issues facing the DSB – the current Appellate Body member selection process, or more particularly, the lack thereof, is only the most recent important issue facing the dispute settlement process. There are various issues facing this important function of the WTO, these issues are long-standing and are progressively getting worse. We need to address them to ensure the integrity and efficiency of our dispute resolution system.

In conclusion, Canada firmly and strongly supports the multilateral trading system anchored in the WTO. However, we have a lot of work to do and to accomplish this work we need to come together and develop a common vision for what we want this organization to be and to stand for. MC11 is an important milestone on our journey but it isn't the end of the road.

I will just take a further minute to give an update on another issue. As Members know, a small group of 15 members, chaired by Canada, are conducting plurilateral discussions toward a Fisheries Subsidies Agreement. This group has met 5 times since January and we have had several papers submitted – most quite similar to RNG papers. On this basis, we have had deep discussions on the principal issues of disciplining subsidies that support IUU fishing, overfishing and

overcapacity. While we have not reached a convergence of views on the details of any discipline, the small-group format has allowed us to have the back and forth debate that is often difficult in larger groups. It remains our fervent hope, however, that there will be a multilateral outcome in this area – perhaps our work can complement or inform the broader work taking place under Ambassador McCook's able leadership in the Negotiating Group on Rules.

9. Philippines (ASEAN)

With the Eleventh Ministerial Conference set to take place less than five months from today, ASEAN takes note of the work that has been undertaken in formal WTO Committees and Negotiating Groups as well as on informal consultations and workshops.

With the view to achieving meaningful outcomes in Buenos Aires in December, ASEAN welcomes increasing engagement from Members and takes note that proposals have been tabled by the Members on various remaining DDA issues such as agricultural issues and fisheries subsidies, S&D Treatment as well as proposals related to domestic regulation as mandated under Article VI.4 of the GATS.

ASEAN also takes note of the exploratory discussions on e-commerce, MSMEs and Investment Facilitation that are taking place in the last few months. ASEAN places great importance on the inclusive rules-based multilateral trading system with the development dimension at its core.

ASEAN reaffirms its commitment to engage constructively in areas of great importance for the whole Membership of the WTO in order to achieve concrete outcomes at MC11, which are beneficial to all Members, particularly for the developing Members and the LDCs. To this end, ASEAN calls upon all Members to engage in a more cooperative dialogue to be able to achieve meaningful outcomes in Buenos Aires.

10. Colombia

Colombia endorses the statement made on behalf of a broad group of Members by Ambassador Chambovey of Switzerland. We consider that the first WTO Ministerial Conference to be held in South America should achieve outcomes that are meaningful to the future of this Organization. The most recent Ministerial Conferences have demonstrated that this is possible despite gaps in position. We see Buenos Aires as an opportunity to send a clear signal of our commitment to trade as a driver of development.

Mr Chairman, the end of this semester before the summer recess has seen the discussions in the various groups intensify. From September, we should step up this work by being proactive, pragmatic and taking an open-minded and constructive attitude.

Turning to the matter at hand, on the specific issues under negotiation, we reiterate that Colombia, like many other countries, places great importance on the outcomes in agriculture; indeed, Colombia's priority for the Buenos Aires Ministerial is an agreement on the domestic support pillar. In particular, we would like to underscore the fact that along with the European Union, Brazil, Peru and Uruguay, we have co-sponsored a negotiating proposal that in a broad, pragmatic, realistic context, advocates alternatives for negotiation in respect of domestic support, a permanent solution on public stockholding for food security purposes, and cotton. In this context, we hope to be able to make progress in focused discussions so that we have a deliverable in Buenos Aires, thus demonstrating to the international community the Organization's interest in consolidating the progress made in the three pillars of agriculture.

With regard to rules, as part of the Latin American Group composed of Argentina, Costa Rica, Panama, Peru and Uruguay, Colombia submitted the Proposal for Disciplines on Fisheries Subsidies which, in the light of Sustainable Development Goal 14.6, seeks to establish disciplines on harmful subsidies related to illegal fishing, overfishing and overcapacity as well as subsidies related to deep-sea fishing and irresponsible fishing. We have also highlighted the importance of taking into account special and differential treatment for the least developed countries in this matter.

As proponents, we constructed this proposal after hearing the views of our fellow Members, and today we have circulated two revised versions in a spirit of addressing concerns and requests and moving closer to a deliverable for Buenos Aires. Mr Chairman, an outcome on this matter will be of

the utmost importance in signalling this Organization's commitment to the objectives prioritized by our Heads of State.

Turning to services, Colombia acknowledges the interest shown and efforts undertaken by a large number of Members, including our country, in respect of deepening the discussions on domestic regulation that are being held in the relevant working group. We hope that this work will result in a specific, balanced proposal that gains the support of our fellow Members.

In relation to electronic commerce, our delegation is part of the Friends of E-commerce for Development group. Colombia will continue to work constructively with this group of Members in order to deepen understanding of how e-commerce offers a concrete tool for promoting inclusive development and, in particular, boosts the capacity of SMEs to become an integral part of the global economy, facilitating their growth. We view the Buenos Aires Ministerial as an opportunity to receive a clear lead from Ministers on how we should orient the work programme on e-commerce towards the future, taking into account its cross-cutting nature.

Finally, Colombia would also like to express its support for the open and informal dialogue that has taken place over recent months in the Friends of Investment Facilitation for Development group. We hope that the two sessions scheduled for after the summer will continue to build an atmosphere that is conducive to more in-depth discussions within this Organization.

I would like to conclude my speech, Mr Chairman, by reiterating that we hope to be able to make progress in focused discussions on the various matters with a view to a plausible outcome in Buenos Aires.

11. Qatar

I would like to begin our statement by thanking you for the clarification which you provided during the beginning of this meeting on the role of the Informal Heads of Delegation.

As you find it to be a practical and a transparent way to convene meetings which are inclusive of the entire Membership, we would like to reaffirm our support towards you, the Director General, during this process.

We also take this opportunity to thank the negotiating group Chairs for their reports on the latest developments on multilateral trade negotiations during the TNC.

We associate ourselves with the statement delivered by Switzerland on the joint communication on WTO issues of systemic interest and the statement delivered by Argentina on investment facilitation.

It is clear that the WTO is facing challenges in various areas including the dispute settlement system and in transparency. Challenges are also present in various areas of the negotiating function of this organization. This is not unexpected.

The IMF has issued its latest six-month World Economic Outlook which again marked a continued shift towards protectionism in advanced economies. Furthermore, unilateralism has reappeared recently as a tool for trade policy.

Qatar would like to take this opportunity to reaffirm its commitments to the multilateral trading system. We believe that trade has proven to play an essential role in poverty reduction, development and economic empowerment. The WTO is essential in achieving this.

In this connection, Qatar has recently ratified the Trade Facilitation Agreement. We encourage Members to continue to safeguard the rules based multilateral trading system as it is essential in achieving sustainable growth for all.

On MC11 we find that Buenos Aires presents an opportunity for us to reaffirm centrality of the WTO and advance its negotiating functions. Qatar takes interest in two specific areas: e-commerce and investment facilitation. As we have seen yesterday during the joint FIFD and FEDs seminar, many speakers highlighted the linkages between investment and the e-commerce with regards to

the development dimension. We are of the view that e-commerce could prevail better investment opportunities as they are both growing and becoming more relevant in the world stage.

We have joined in submitting the communication entitled "Advancing work on e-commerce group programme" with aims to have discussions on improvements of the process and to identify the issues of interest for Members. In this regard, we would like to see a horizontal process at the technical level taking place as we head closer towards MC11. We must find a way to participate in more substantive discussions on this topic for the purpose of achieving concrete outcomes on e-commerce in Buenos Aires.

We have further held three informal dialogues on investment facilitation with broad participation from the Membership. Many issues were highlighted including efforts to improve transparency and regulatory measures. As a Member of Friends for Investment Facilitation for Development, we welcome these discussions.

It has been proven that FDI is a catalyst for economic development. We find that liberalization and facilitation would only aid in achieving the Sustainable Development Goals. Thus, we look forward to continuing the ongoing open ended dialogue and explore the possible role of investment facilitation.

To conclude, we encourage Members to adopt a solution seeking more than the upcoming period and to adjudge any proposal on its merits and we look forward to continued constructive engagement in many of the issues to achieve a successful MC11.

12. New Zealand

I had to leave the room briefly earlier this evening, and I suggested as I did to Ambassador Neple that he could also associate me with what he was about to say and coming back into the room I therefore do associate New Zealand with the comments of Norway and others in expressing our confidence in the integrity of the Secretariat and your role as Director-General.

New Zealand is one of the co-signatories to the joint communication introduced by Switzerland expressing concerns at the challenges facing the WTO. And as we have all reminded ourselves today – that it is not something independent but that is us as Members.

Looking to MC11, it will be important that we as Members leave no doubt as to our commitment to the rules-based multilateral trading system as embodied in the WTO. That means we need to continue to develop rules in the areas we have traditionally been negotiating and we need to update our agenda to more closely reflect modern business reality.

New Zealand is looking for concrete outcomes addressing the issues of fisheries subsidies, agriculture, domestic support including public stockholding and services domestic regulation harvesting the work done pursuant to the GATT's Article VI.4 Mandate.

Hopefully, there will also be other Ministerial decisions for example extending the moratorium on e-commerce duties and enhanced transparency on NTBs to show that we as WTO Member governments are delivering to the practical needs of business particularly small and medium enterprises.

To the extent that MC11 outcomes do not complete the work required in each area we will need to agree for work programmes. For example, fisheries subsidies, pursuant to the SDG 14.6 for which the 2020 clock is ticking includes IUU, overfished stocks, overfishing and overcapacity to the extent any of these issues remain unresolved, ongoing negotiations will be needed hopefully subject to an overall standstill to ensure that the problem does not get worse in the interim.

In the area of updating, we also need a meaningful work programme on e-commerce which encompasses the possibility of negotiated outcomes.

These post MC11 work programmes should be directed to producing agreed outcomes for MC12.

I have not sought to be exhausted here. There are many other issues that need addressing both on our regular work and through negotiations. It is only through an agenda of meaningful market

opening and reduction or elimination of other market distorting policies and practices that all Members will have an opportunity to develop through trade.

13. Japan

Japan thanks the Director-General for sharing his thought about his role, transparency and the neutrality of the Secretariat. We fully support his effort and highly appreciate hard work of the Secretariat.

Japan welcomes and supports the initiative by Switzerland and many other co-sponsors. Japan echoes all the views expressed in their communication.

On MC11, in the next two to three months, we need to identify areas, and figure out forms, of deliverables and other outcomes for MC11. In this regard, there are several points we should take into account in this regard.

- First, we should address all the relevant issues, whether they are mature as the subjects of negotiation or not, in order for the WTO to respond to the challenges facing the international community.
- Second, we should take a pragmatic and realistic approach based on the proposals currently on the table, while respecting the red lines of each Member. Unrealistic demands will never be achieved.
- Third, an incremental approach is necessary. We should make every effort to achieve specific outcomes for MC11, but if a binding solution is premature, we may opt for a non-binding one. If we cannot agree on every part of one particular issue, we may consider some limited deliverables as early harvests and a work program for remaining parts. If all the Members are not ready, the plurilateral format provided for in WTO agreements may be the way to go. In this connection, we believe that creating a better and more sound post-Buenos Aires negotiating environment will also be one of the positive outcomes of MC11.

Now let me touch upon some of the issues of interest to us.

On agriculture, domestic support is the most important issue to be addressed. Japan believes that a discipline on domestic support should be based on the existing elements of the Agreement on Agriculture. The proposed Value of Product-based approach is not equitable and will not facilitate the creation of effective rules.

As for public stockholding for food security purposes, Japan expects the proponents to take a realistic approach in order to achieve tangible outcomes at MC11.

On fisheries subsidies, due consideration for fisheries resource management is indispensable. The discipline under the WTO should contribute to achieving the sustainable use of fisheries resources envisaged in the 2030 Agenda.

As for domestic regulation in services, the proposals currently on the table are quite mature. Such regulations will help to facilitate trade, particularly for developing countries and MSMEs. This issue should be one of the specific outcomes at MC11.

On e-commerce, we welcome the initiative by the European Union for the facilitation of online transactions under the existing mandate. However, we also believe that the issue of e-commerce and digital trade should be dealt with in a comprehensive manner. We therefore propose that we deepen discussions for one more year under the work program of 1998 in order to evaluate whether strengthening or clarification of the WTO rules is necessary and to decide whether to start negotiations on e-commerce. I will elaborate further on this point in the General Council tomorrow.

Furthermore, Japan welcomes ongoing discussions on issues of the day such as investment facilitation and MSMEs. These elements, together with e-commerce and domestic regulation in services, are important features of facilitating trade and investment, and will make trade more inclusive.

Last but not least, with respect to the new proposal on S&D treatments, Generally speaking I would like to make a few points. Deviations from WTO rules lead to less transparency and predictability, which has negative impacts on the business environment, and thus on trade and investment as well as on integration into global value chains. S&D treatment is a remedy which should be administered only for those Members in real need and only to the extent necessary. An overdose would be harmful for those countries and would endanger the rule of law under the WTO. We should not repeat the unproductive process of two years ago.

After the summer break, there will be less than 100 days left before MC11. We have a difficult road ahead and the time remaining is short. But among the three pillars of WTO functions, we must advance the negotiating pillar in particular, so that the WTO remains relevant to the current needs of the international community. Japan is ready to do its best to cooperate with the host country Argentina and other Members in this endeavor.

14. Norway

We support the statement Switzerland made on behalf of 47 Members. I can assure you that we will continue our efforts in the different negotiating groups, in working groups and informal meetings to seek incremental progress at MC11. We need to prepare the ground for the Ministers to reach as ambitious results as possible. We also need Ministers guidance on further work beyond MC11.

E-commerce, for example, is an area where further guidance without doubt is needed to update the multilateral trading system and keep the WTO relevant to developments in the world economy as many have mentioned before here today. Norway would prefer a more ambitious result, but at the very least members need to agree on a locus for future comprehensive and uninterrupted discussions on e-commerce. We also seek clarity regarding future work on investment facilitation. We call on all Members to be pragmatic and flexible, stay engaged and search for what is doable and realistic.

15. Pakistan

Director-General, you have been most inclusive, transparent and accessible. We regard you as our Director-General. Regarding the Secretariat, let me be on record that it is most professional and a true office of a Member-driven organization.

We have been following your efforts and your articulate and persistent defence of Trade and the World Trade Organisation at different fora. We greatly appreciate your efforts. With rising anti-trade discourse, wherein trade is often singled out as a major cause of instability in labour markets, your research-based, objective articulation of views in support of trade has been effective.

We are of the considered view that economic well-being of billions of people depends on trade. Deeper trade integration coupled with right national policies can boost incomes and accelerate global growth.

We fully subscribe to DG Azevedo's views when he says "Trade is imperfect" but trade negotiations are not. We are doing our work in a rules based system which clearly defines our roles and limitations. We all therefore have to take advantage of this rules based multilateral system and try to compensate for the imperfections in trade. We should propose a common agenda that can reset the trajectory of the system to respond to contemporary issues as well as the outstanding ones, by being pragmatic, realistic and creative at the same time.

We recently had the Aid for Trade Global Review. It was a good reminder for us at the WTO about our commitment to development and also provided guidance on our future course of action. We have had valuable experience sharing and a clear articulation of the expectations that our stakeholders have from the development institutions and the multilateral trading system.

In Aid for Trade, we had approximately fifty-six sessions on Trade, Inclusiveness and Connectivity for Sustainable Development. An estimated 40% of sessions had digital connectivity and e-commerce as a key component. But in our experience, invariably majority of the sessions

culminated in highlighting the key linkage between e-commerce, Investment Facilitation, MSMEs, Inclusive Trade and SDGs.

This Aid for Trade Global Review had important messages from stakeholders and people at operational level – these were messages about what is expected from us at the WTO.

ICTSD recently presented a research paper on RTAs and e-commerce, a key finding of the research is that since 2001 – to date, at least half of WTO Members (developed and developing) have entered at least one RTA with an e-commerce chapter. This is food for thought for us in the WTO.

Internet revolution contributes 8% of global GDP. The development of mobile broadband holds the promises to bring billions more on line, thus narrowing the digital, economic, physical and educational divide. The internet of things or internet of everything has the potential of contributing \$11 Trillion to global GDP by 2025. Internet-related consumption and expenditure has already surpassed the size of the global agriculture and energy sectors. But only a small proportion of this is happening in LDCs and developing countries.

More than anything else, the internet will define the 21st century business environment. At the present day and age, we live in an era of 24/7 connectivity. By end of year, half of world's population will be online. In the developed world 80% use internet, but only 40% in developing and less than 15% in LDCs are online. In many African countries one person in 10 is on the internet. This offline population is mostly female, elderly, less educated and poorer and mostly in rural areas. Of the 4.4 billion people offline, 3.4 billion live in just 20 countries, and one billion of this 3.4B are illiterate.

According to the latest UNCTAD B2C ecommerce Readiness Index, the developed world has a score of 71, Latin America 42, Developing Asia 38 and Africa 24. This shows that some have the ability to capture a disproportionate share of "digital dividends". A key message is that we are digitally a multispeed planet. Particularly from a development perspective, it is critical that we focus on the development dimension of e-commerce.

Yesterday in the FEDs and FIFD seminar on digital divide, we learned about the potential of e-commerce to address development deficit. A private sector operator from Pakistan shared that, during the last three years, after the auction of 3G/4G spectrum, the consumers using broadband on mobile have increased from 3 to 44 million. This is 188% growth rate. A million BBM connections are being added every month.

The theme of the recently held WTO 2017 Aid for Trade Global Review was "Promoting Connectivity". We learned that connectivity is also about having the right infrastructure and the institutions to service that infrastructure and creating a favorable environment. It is about hard infrastructure like roads, railways, ports and soft infrastructure like TFA, and more so it is about infrastructure underlying all infrastructures – the internet.

In our view a progressive trade policy agenda has answers to challenges of ICT infrastructure, and investment required for bridging the digital divide and making trade logistics efficient. There is a clear and pressing need to scale up investment in digital infrastructure in many developing and least-developed countries if they are going to benefit from e-commerce and the digitization of the global economy.

By facilitating investment – including through strengthening transparency, improving predictability and speeding up administrative procedures – not only can developing countries create jobs, build skills, and spur innovation but they also can also build the essential infrastructure that represents the difference between countries being connected to – or disconnected from – today's global economy.

In order to deepen the dialogue on investment facilitation, on behalf of FIFD, which is comprised of 12 WTO Members, namely Argentina; Brazil; Chile; China; Colombia; Hong Kong, China; Kazakhstan; Mexico; Nigeria; Pakistan; Republic of Korea and Qatar, we organized a workshop on Investment Facilitation for Development on the eve of the Aid for Trade Global Review. The Workshop focused specifically on: "What Investment can do for Trade Connectivity and Development – Investment Needs and Bottlenecks."

- The key highlights and takeaways of the Workshop were also presented at the Closing Plenary Session of the Aid-for-Trade Global Review 2017.
- This Workshop explored how investment facilitation policies could help countries foster development, diversify their exports, integrate into GVCs and link up to the digital economy. The private sector participants identified the ground-level obstacles they faced when investing in different countries, and how investment facilitation could address them effectively. And very importantly, the Workshop showcased concrete policies, tools and best practices that governments can adopt to facilitate investment – such as improving regulatory transparency and predictability, streamlining and speeding up administrative procedures, and enhancing international cooperation, and technical investment.
- The Workshop had following highlights:
 1. In total, 21 speakers made a presentation (or an intervention). And over 70 participants joined in the full-day discussion, coming from different backgrounds: WTO Members; experts from international organizations (such as UNCTAD, World Bank and OECD); non-governmental organizations; the private sector (such as Vodafone Group, the World Economic Forum, ICC, and the Federation of German Industries), and academia. As well as, importantly, investment-facilitation policy practitioners: notably national Investment Authorities and representatives from national investment promotion agencies (IPAs).
 2. In doing so, the Workshop provided a platform for debate bringing together the investment and the trade community. Together they sent a clear message: in today's trade and investment value chains, investment is essential if developing and least-developed countries are to overcome their infrastructure constraints, industrialize, and expand and diversify their exports.
 3. Thirdly, the Workshop highlighted how a large number of countries – and notably developing countries – were committed to, and already, implementing investment facilitation policies at the national, bilateral and even regional level. Why? Because they wished to attract not only more, but also higher quality investment that is better geared towards their development needs. In this context, access to technical assistance and capacity building, as well as faithful implementation, were seen to be critical.
- The Workshop enabled a constructive dialogue, and specifically brought to Members' attention possible elements that could be further discussed in the WTO Informal Dialogue on Investment Facilitation for Development, very ably being facilitated and coordinated by Amb Cima of Argentina.
- The high level of engagement at the Workshop was testimony to the fact that investment facilitation is of interest to many Members. There may be different needs and approaches – but it is fair to say that all countries want to explore ways of facilitating investment – and notably foreign investment – as a means of promoting economic growth and development. Presentations made at workshop are available on the WTO website.
- We appreciate and value the sterling quality assistance provided by the Secretariat.

I would be failing my duty if I do not highlight challenges faced by MSMEs and what we have to do for them. We have to particularly address lack of access to finance and regulatory trade barriers faced by MSMEs, along with many others.

MSME exporters represent an important source of economic growth in both the developed and developing countries.

Globally, SMEs as well as MSMEs are the leading providers of employment and contribute significantly to value addition. In effect, they are directly and indirectly embedded in the international trading system. In Pakistan, more than 90% of our enterprises are SMEs. They employ 45M people – around 70 % of our labour force. But only 25% of them export.

Micro, small and medium-sized enterprises are responsible for the bulk of job creation, economic dynamism and innovation. Most of the time, they however do not participate in trade and in the global economy to a level that matches their potential despite of the fact that these young, dynamic MSMEs are engines of growth and innovation. SMEs have been largely absent from the broad trade debate. It seems that we may be missing an opportunity to support this vital part of every economy.

It is an undeniable fact that trading internationally is often much more costly and difficult for micro, small and medium-sized enterprises (MSMEs). The smaller the business, the bigger and more difficult the barriers they face.

They are most affected by changes in trade policy. In a practical sense, the effects take concrete form as issues that can impact costs, access, and strategic planning. Lacking the technical and financial resources, most MSMEs are not equipped to deal with these issues in isolation. Frequently, MSMEs are not aware of the changes in trade policy and practices in export markets. They face huge challenges and regulatory burden which are further complicated by lack of information.

The challenges for MSMEs of the developing countries are much more than those faced by those of developed countries. It is estimated that about 20% of new SMEs go out of business before their first birthday and that over 50% eventually wind up after five years.

For MSMEs, e-commerce can break the "Iron Law" of International Trade that exporting was possible only for large companies. Today, while less than 5% of big companies export, the WTO's 2016 World Trade Report cited that 97% of internet-enabled SMEs export.

We have to support these MSMEs in fully integrating into global trade. We need to prioritize needs of MSMEs in all streams of our work. Towards this objective, we greatly appreciate the valuable work being done by the Friends of MSMEs coordinated by Amb. Hector Casanueva of Chile.

This is an issue which we must address and which could make a significant contribution to supporting growth, development and job creation. In our work towards MC11 and beyond, we need to keep in mind the challenges faced by MSMEs so that we build a more open and inclusive trading system, the benefits of which are available to all.

The world has changed drastically over the last two decades and the WTO has to adapt itself to this change to remain relevant. It is high time the WTO Members start exploring the best way to incorporate emerging issues and present day challenges in our work.

It is not advisable to live in the past. The issues have to be those that matter to businesses and our stakeholders and help remove any existing trade distortions. It is time for the WTO Members to regain the centrality of the WTO as the only organization for negotiating global rules of governing cross-border trade in goods and services. But we have to move with a balance, and not forget our pending business.

16. Chinese Taipei

My delegation is pleased to join the joint communication introduced by Switzerland on WTO issues of systemic interest. We would also like to thank Costa Rica, Chile and Argentina for their efforts to enhance discussions on e-commerce, micro, small and medium enterprises (MSMEs) and investment facilitation.

We are a strong believer in the fact that the WTO is a system of rules dedicated to open, fair and undistorted competition. Internet and digital technologies could promote inclusion, efficiency, and innovation. However, if the digital economy is not accessible, affordable and open, it will result in inequality, control and concentration.

For MSMEs even to have the chance of participating in the Global Value Chain, the key requirements are connectivity, accessibility, regulatory transparency, and innovation. First, connectivity means to bridge digital divide in terms of infrastructure; Second, removal of unfair internet blocking to ensure equal access to digital trade is crucial; Third, transparency help MSMEs

to access the regulatory information in the different foreign markets. Finally, spurring innovation and creativity of MSMEs can be contributed to their sustainable growth and employment.

We believe that the WTO has a crucial role to play in making this possible, and in making the global market more inclusive and productive.

17. Russian Federation

This HODs meeting is the opportunity for thoughtful consideration with the capital of ways to move things for MC11 from stuck to success. I believe we cannot afford a meagre ministerial. World trade needs a bold response to raising protectionist sentiment.

Russia does hope that coming September will mark a fresh start for getting practical stuff for MC11. My delegation is eager to make a positive input. Despite the controversies, we feel high level of interest inside the WTO for advancements on a number of tracks.

Agriculture seemingly tops the list. Many Members name it as a must for MC11. Many Members talked today about fair trade and a levelled play field. It is time to translate words into deeds. Trade distorting domestic support in agriculture is a good candidate for it. There are several proposals on how to cap this spending.

Russia does not sit idle on agriculture either. My delegation has put forward the proposal to abolish the right to SSG that only some of the Members enjoy.

We also seek better disciplines on domestic regulations in services. I do not think that it got the deserved progress and call upon colleagues in the house to inject more momentum in this area.

From the outset, my country pushes for properly addressing important emerging issues in trade such as investment facilitation, e-commerce or MSMEs. I welcome recent developments in this regard. These factors will shape the future trade and it is not wise to overlook them.

Trade and investment are complimentary. They follow each other. If decoupled, the effect of trade will go down as well as country's ability to integrate in global value chains. Having said this, I would like to raise the voice for investment facilitation inclusion into the MC11 outcome package.

E-commerce is another hot spot. It overtakes more traditional means of doing business. Member's high interest in it is proved by multiple substantive submissions and dedicated events. Russia joined this effort by circulating its own vision on how to proceed with e-commerce. It emphasizes the need for better structuring of the work and closing knowledge gap.

For the WTO, MC is a milestone. It serves as a messenger for peoples and businesses on economic and development prospects. It is up to us to meet their expectations and ensure that trade works at its fullest to bring more opportunities and choices to our societies.

18. European Union

First, regarding e-commerce, the EU would like to remind Members of its proposal on "An enabling environment to facilitate on-line transactions" (tabled in May 2017). The identification of a limited set of deliverables outlined in our Communication emerged from a similar kind of evaluation process which had taken place among Members since the last Ministerial Conference in 2015, in the context of the WP on e-commerce, regular committees, CTS-SS and various events.

The EU proposal indeed focuses on a limited set of non-controversial regulatory issues, i.e. consumer protection, anti-spam, e-trust services and e-contracts. These topics have been identified by many Members as areas where the WTO could deliver in order to improve legal certainty and transparency, enhance the access and use of e-services, increase the participation of SMEs, and bring development benefits, to name just a few.

Following the CTS-SS meeting in June, the EU continues to hold bilateral conversations with interested Members, and expects another discussion in the CTS-SS after summer break.

The EU would therefore like to invite an active and constructive engagement by Members on its text proposal, while continuing active reflections on the elements for the Ministerial Decision outlining longer terms priorities, processes and potential deliverables by the WTO in this area.

The EU would like to thank Chile for skilfully chairing the Informal dialogue on MSMEs. I would first like to make two general points:

First, the EU's objective is not to create new rules only applicable to MSMEs; accordingly, we see no need to define what MSMEs is in legal terms. Indeed, this would be an impossible task given how different our economies are. What we aim to is to explore whether there are areas of our work where improvements or new general rules could be more beneficial for MSMEs. For example, the EU is supportive of further work on access to information and good regulatory practices.

Second, we do see enhancing MSMEs access to global value chains as a contribution to the developmental objective. We heard on many occasions that SMEs are of key importance to developing economies; accordingly, rules that facilitate SMEs' access to trade opportunities should bring benefits to developing economies.

Until today, in the MSMEs dialogue, we had interesting sessions where we had the opportunity to engage in open and instructive discussions; now, we need to move one step forward and explore what can be done to achieve a meaningful result in the upcoming Ministerial Conference. We have already a good set of ideas and potential proposals on the table on which we can build on constructively.

With respect to Investment, the EU welcomes and supports the work done by the "Friends of Investment Facilitation for Development" through the ongoing informal dialogue. While the dialogue is still ongoing, it has already allowed to share domestic practices and experiences with respect to measures that facilitate investment. In particular, we have appreciated the discussions on transparency and on streamlined procedures. The discussion is obviously allowing us to progressively identify what measures should be in place in our regulatory frameworks should we wish to attract and retain investment.

Looking ahead, we would welcome more discussions on which rules supporting investment facilitation already exist at the WTO. By identifying more clearly the gaps that exist in the multilateral rule book, we would be able to define where value-added could be created at the WTO.

As those informal talks progress, one will also need to reflect on how this organisation could take forward this issue in a more formal manner.

ANNEX 6**STATEMENTS BY DELEGATIONS ON THE SIXTH GLOBAL REVIEW OF AID FOR TRADE**

At their request, the statement of Japan at the Closing Session of the Aid for Trade Global Review on 13 July and those of Pakistan and the United States on Aid for Trade (Agenda Item 3) are included below as part of the Minutes of the General Council meeting.

Statement at the Closing Session of the Aid for Trade Global Review on 13 July 2017**1. Japan**

At the outset, let me congratulate the success of the Sixth Global Review of Aid for Trade.

This year's Global Review was held at a critical juncture for the following two ways:

Firstly, it was held for the first time since the adoption of the 2030 Agenda for Sustainable Development. The SDGs are the common goals for the international community, and I believe that Aid for Trade serves for all of these Goals. It is because economic growth expands the resources of the country, and it ultimately becomes the necessary foundation for the enhancement of human security and the eradication of poverty and hunger.

Secondly, it was held in the time of the rise in protectionism and skepticism about trade worldwide. In order to ensure that everyone, including SMEs, women and youths can reap the benefit of trade, and to realize "inclusive trade" which leaves no one behind, it is expected that Aid for Trade will continue to play its role.

Under such circumstances, it was timely to have "connectivity" as the theme of this year's Review. Through the three-day discussions, it was widely recognized that promoting trade facilitation and digital trade would contribute to improving connectivity. Also, we reaffirmed the importance of combining various elements such as hard infrastructure, human resource development, regulatory framework and gender empowerment.

Such a holistic approach is exactly what Japan has put in practice in its own Aid for Trade efforts. As the top donor country of Aid for Trade, Japan provided assistance amounting to more than 45 billion USD between 2006 and 2015. While economic infrastructure accounts for the large portion, we are providing comprehensive assistance including in the areas of productive capacity building as well as trade policy and regulations, in order to meet the needs of the recipient countries.

In this context, I would like to inform you that Japan has recently made additional contribution to the DDA Global Trust Fund. It is for the second time for us this year, and the total amount of Japan's contribution to the Fund in 2017 amounts to approximately 450,000 CHF.

Japan will continue to follow such a holistic approach and provide Aid for Trade to developing countries, including LDCs, through various initiatives such as High Quality Infrastructure, One-Stop Border Post and the One Village One Product movement. In Africa in particular, Japan will steadily implement the pledge announced by Prime Minister Abe at TICAD VI last year that Japan would provide a support of 30 billion USD including private investment. We hope this will help African countries pursue their strategic visions envisaged in Agenda 2063.

In this year's Global Review, it was also reaffirmed that mobilization of private resources including Foreign Direct Investment plays important roles in such areas as trade facilitation and digital trade, and that good investment environment through policy consistency and transparency is critical. In the end, efforts made by developing countries themselves are always the key. Japan hopes that the ownership by developing countries and the catalyst effect of Aid for Trade will create good synergies and lead to sustainable economic growth.

Statements on Agenda Item 3 on Aid for Trade**1. Pakistan**

Aid for Trade is always a good reminder for us at the WTO about our commitment to development and guidance about our future course of action.

With more than 80% of the Members being Developing & LDCs, development is an integral part of our work. It is essential for our work at WTO and Aid for Trade is a key vehicle for operationalizing this commitment.

Pakistan greatly appreciates the WTO Secretariat and partner institutions for the excellent knowledge management and logistical coordination.

We have had valuable experience sharing and a clear articulation of the expectations that LDCs and Developing Members have from the development institutions and the multilateral trading system.

We had 56 sessions on Trade, Inclusiveness and Connectivity of SD. An estimated 40% of sessions had digital connectivity and e-commerce as a key component.

But in my experience, the invariable majority of the sessions culminated in highlighting the key linkage of Aid for Trade with Electronic Commerce, Investment Facilitation, MSMEs, Inclusive Trade and SDGs.

The WTO Secretariat is a member of the Geneva Gender Champions which makes a commitment and pledge to endeavour for gender panel parity. It will be advisable to endeavour that no panel is gender blind during future Aid for Trade reviews.

This Aid for Trade Global Review had important messages from stakeholders, entrepreneurs, sector leaders and people at operational level – these were messages about what is expected from us at the WTO.

2. United States

We'd like to thank Director-General Azevêdo and his staff, particularly those in the Development Division, for organizing the 6th Global Review of Aid for Trade. The program of events was impressive– from the plenaries, to the side events, to the development hubs.

This year's focus on trade, inclusiveness and connectivity for sustainable development built on the theme of reducing trade costs in the 5th Global Review, expanding our understanding of trade costs into the digital domain and reflecting the changing nature of trade.

As noted in the 2017 Aid for Trade at a Glance publication, digital networks offer another avenue for developing countries to connect to global trade. Digital connectivity is pertinent to other modes of physical connectivity (air, sea, road and rail) and underpins the global value chains that now characterize international commerce.

The United States hosted a side event on "New Trends in Digital Economy and Connectivity Innovation & Assistance." In that session, we heard how business transactions – including cross-border transactions – increasingly depend on the internet and access to information communication technology.

Companies that sell their products and services online are much more likely to export. This underscores the importance of the digital economy as a driver of innovation, competitiveness, growth, and trade.

But it also highlights the challenges related to connectivity, affordability of ICT goods and services, establishing a digital presence, trade facilitation, and the enduring challenge of logistics that developing countries need to tackle, and aid agencies need to target.

We were pleased that the Global Review continued to focus on implementing the Trade Facilitation Agreement, which entered into force earlier this year. The thematic session and related side events earlier this week reinforced again how important the TFA is to advancing solid development outcomes in the trade sphere, as well as reminding us of the extensive availability of relevant technical assistance from multiple sources.

Again, thanks to the Director General and the Secretariat for putting together another successful Global Review, and we look forward to engaging with others to build on the good work showcased this week.
