



General Council 7 May 2019

MINUTES OF MEETING

HELD IN THE CENTRE WILLIAM RAPPARD ON 7 MAY 2019

Chairperson: H.E. Ms. Sunanta Kangvalkulkij (Thailand)

The Chair, the Director-General and delegations expressed their deepest sympathy and heartfelt condolences to the Governments and People of New Zealand and of Sri Lanka for the atrocious terrorist attacks that had stricken them in recent weeks. The Chair said that those were heinous acts of violence against the humanity as a whole and should be condemned.

During the meeting, the Chair acknowledged the presence of Honourable Bradley Felix, Minister for Commerce, Industry, Investment, Enterprise Development and Consumer Affairs of Saint Lucia. Minister Felix subsequently addressed¹ the General Council on behalf of the WTO Members of the OECS Economic Union.

Subjects discussed²:

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2 The proposed agenda was circulated in document WT/GC/W/771.

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1 REPORT BY THE CHAIRMAN OF THE TRADE NEGOTIATIONS COMMITTEE AND REPORT BY THE DIRECTOR-GENERAL

1.1. The Chair recalled that the Director-General had convened Informal TNC and Informal Heads of Delegation meetings on 3 May where he had provided a report on his recent activities and consultations. Chairs of Negotiating Bodies had also provided their reports on the negotiating work where updates were available, and forty-seven delegations had taken the floor.

1.2. As had been announced at that meeting, the Director-General's report and the reports of the Chairs of Negotiating Bodies would be included in the minutes of the General Council meeting.³ Statements delivered by delegations would also be included in the minutes unless indicated otherwise.⁴

1.3. The General Council took note of the report of the Chairman of the TNC and of the Director-General's report on 3 May and of the statements delivered at the 3 May Informal TNC and Informal HODs meetings.

³ The Director-General's report (also circulated in JOB/TNC/74) and the reports of the Chairs of Negotiating Bodies at the 3 May Informal TNC and Informal HODs Meetings are incorporated in the minutes of this meeting and are reproduced in Annex 2 of this document.

⁴ The statements at the 3 May Informal TNC and Informal HODs Meetings by the following delegations are incorporated in the minutes of this meeting and can be found in Annex 3 of this document: Canada (Ottawa Group); Jamaica (ACP); Panama (Article XII Members); Australia (Joint Statement Initiative on E-Commerce); Trinidad and Tobago (CARICOM); Japan; Mexico; Angola; European Union; Colombia (Structured Discussions on Investment Facilitation for Development); China; Ghana; Cuba; Singapore; India; Peru (including Lima Group); Argentina; United States; Egypt; Chinese Taipei; Barbados; Chad (LDCs); Brazil; Chile; New Zealand; Thailand (ASEAN); Russian Federation; Republic of Korea; Paraguay; Norway; Pakistan; Turkey; Uruguay (Informal Working Group on MSMEs); Plurinational State of Bolivia; Switzerland; Benin (African Group and C-4); Sri Lanka; South Africa; Indonesia; Solomon Islands (Pacific Group); St. Lucia (OECS); Nigeria; Hong Kong, China; Malaysia and Bolivarian Republic of Venezuela. Annex 3 also includes the remarks of the Director-General at the end of that meeting.

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

2.1. The Chair⁵ said the item remained on the agenda so that the General Council could continue to follow up on the decisions adopted in Bali, Nairobi and Buenos Aires – and to do so in a horizontal and transparent manner.

2.2. On 30 April, in preparation for the General Council meeting, she had held a meeting with the Chairs of Regular Bodies. They had had a useful discussion in which she had invited Chairpersons to explore ways to ensure a more regular and interactive dialogue on issues of common interest and responsibility. Their reports and updates on the implementation of the Ministerial mandates were the basis of her statement under that item.

2.3. Concerning the Work Programme on Electronic Commerce, in response to Members' request for more data and analysis on the moratorium, the Secretariat had organized a workshop on 29 April to support their discussion on the issue. The workshop had been well attended and had addressed a number of matters such as: the history of the moratorium; possible revenue implications; technical challenges of imposing customs duties on electronic transmissions; and the development dimension of the moratorium.

2.4. While Members' views differed, there had been a useful exchange of information and she hoped that they could continue their deliberations in an inclusive and Member-driven manner. That discussion would need to intensify, in particular in light of the need for a decision on the moratorium by December of that year. As General Council Chair, she intended to consult broadly with Members on the way forward. She also remained ready and willing to convene further discussions as necessary, and would welcome any additional contribution from Members.

2.5. The next mandated review of the Work Programme would take place at the July session of the General Council. On that occasion, Members would have the opportunity to discuss e-commerce further and hear the reports from the bodies tasked with the implementation of the Work Programme. In that regard, she intended to meet with the Chairs of those bodies in due course to discuss work in their respective areas.

2.6. Regarding some of the Ministerial outcomes on Agriculture, the review of the Bali Decision on TRQ administration had begun in October 2017. Members had identified three broad themes in those discussions: (1) Effective implementation and follow-up of the Bali TRQ Decision; (2) TRQ transparency requirements; (3) Underfill Mechanism. The Committee on Agriculture was expected to finalise the report and draft recommendations of the review by June 2019. The General Council was expected to take a decision on the recommendations arising from the review normally no later than 31 December 2019, unless Members agreed otherwise.

2.7. With respect to the implementation of the Nairobi Decision on Export Competition by Members with scheduled export subsidies reduction commitments, the situation had improved significantly, with 9 Members having had their revised schedule certified, and three Members which had circulated draft revised schedules, but those were not yet certified – the most recent one had been circulated in March.

2.8. She encouraged the other remaining Members with scheduled export subsidies commitments to provide an update on the steps taken to implement the Decision at the next Dedicated Discussion on Export Competition, which would take place at the June meeting of the Committee on Agriculture.

2.9. Turning to the LDC Services Waiver, at the Services Council meeting held in March, the LDC Group had noted that it had started to consult with Members about the organization of the dedicated Services Council meeting to review the operation of the preferences notified under the LDC Services Waiver, which had been agreed by the Council at the end of 2018. The dedicated meeting would allow Members to exchange information as part of the mandate in the Nairobi Decision that the Council "initiate a process to review the operation of notified preferences, on the basis of information provided by Members".

⁵ The Chair's statement was circulated in JOB/GC/216.

2.10. LDCs had called for that information to address principally how notifying Members had been building awareness of the benefits of their preferences; how they had been increasing LDC suppliers' access to those preferences; and how their capacity building and technical assistance programmes had been supporting the use of preferences.

2.11. On Development matters, she had been informed by the Chair of the CTD that the situation regarding the Monitoring Mechanism on Special and Differential Treatment remained unchanged, with divergent views persisting on how to proceed with the review of the Mechanism, which was long overdue. The next meeting of the Monitoring Mechanism would be held in June.

2.12. The Bali Decision on Duty-Free Quota-Free market access for LDCs remained on the CTD agenda. The CTD Chair intended to continue consulting with Members on the issue, including the Secretariat's report which should inform the review of the Decision and which could not be prepared for the past two years due to divergent views on its scope and coverage.

2.13. The Aid for Trade Global Review would take place on 3-5 July, and would discuss how Aid for Trade supported economic diversification and empowerment – with a focus on eliminating extreme poverty, particularly through the effective participation of micro, small and medium enterprises, women and youth. Discussions would also be informed by the "Aid for Trade at a Glance" report, published jointly by the WTO and the OECD, and with contributions from other international organizations.

2.14. On Trade and Transfer of Technology the Chair had expressed his intention to start a process of informal consultations, with the objective of injecting new life into the discussions, and determining a results-oriented approach for work in the coming months.

2.15. And lastly, on the Trade Facilitation Agreement, 142 Members had ratified the Agreement, accounting for more than 86% of the total.

2.16. The representative of Benin, on behalf of the African Group, said that the Chair's report stressed the importance Members gave to the implementation of decisions taken at the Bali, Nairobi and Buenos Aires Ministerial Conferences so as to respond to the needs of developing countries and LDCs, among which there were African countries. The issues covered were domestic support in agriculture, public stockholding for food security purposes, special safeguard mechanism, the situation of developing countries which were net food importers, SPS, TBT, services, preferential rules of origin for LDCs, and capacity building for production and export for developing countries and for African Countries, among others.

2.17. The African Group also thanked the Chair for stressing the importance of ensuring transparency through notifications. That was an absolutely essential element to be able to assess the current state of play and the additional results that they could register.

2.18. The representative of Chad, on behalf of the LDCs, repeated the LDCs' appeal for all decisions taken in favour of LDCs during MC9, MC10 and MC11 to be fully implemented. The LDCs welcomed those Members who had notified their preferences in the context of the services waiver and who had also accepted to work with them on the ways and means of ensuring that their services suppliers were fully aware of the preferential treatment laid out in those notifications. The LDCs were working on a specific session before the end of that year to have an exchange of information on the ways and means of guaranteeing the use of preferences as well as to implement the Ministers' mandates which had been handed down to them in the relevant Nairobi decision. In that respect, the LDCs thanked the Members for putting forward some ideas to make best use of that specific session and for their positive reaction when they had mentioned with them the structure and the elements of the session. The LDCs were pursuing their consultations with Members who had notified on the subject and they hoped to have a fruitful discussion during that session. Finally, concerning the relevant decisions on DFQF market access and on preferential rules of origin, the LDCs again called upon Members to ensure their full implementation.

2.19. The representative of Angola noted that Angola had deposited its instrument of ratification of the Trade Facilitation Agreement on 9 April 2019 – a clear and unambiguous expression of Angola's commitment to be bound by that agreement.

2.20. The entry into force of the TFA for Angola launched a new phase for trade facilitation reforms in the country. The Angolan Government considered its implementation in a broader framework of creating an environment conducive to business and private investment, particularly for foreign investments.

2.21. Notwithstanding its LDC status, Angola had decided to rapidly implement most of the trade facilitation measures, indicating only a quarter of those measures as falling under Category C as had been stated in its March 2018 notification circulated in document G/TFA/N/AGO/1.

2.22. The General Council took note of the Chair's statement and of the other statements.

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

3.1. The Chair recalled that in line with the agreement in the General Council in 2002, the Work Programme on Small Economies was a standing item on the agenda and the Committee on Trade and Development reported regularly to the Council on the progress of work in its Dedicated Sessions. In Buenos Aires, 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.

3.2. Deputy Director-General Yonov Agah, on behalf of the Chairman of the CTD, reported that, as had been announced in the last General Council meeting, the CTD, on 29 April held its 38th Dedicated Session on Small Economies.

3.3. In that session, the SVE Group had presented an outcome document of the work undertaken in the Dedicated Session on the challenges and opportunities experienced by small economies in their efforts to reduce trade costs, particularly in the area of trade facilitation, as had been mandated at the Eleventh Ministerial Conference.

3.4. The document, circulated in WT/COMTD/SE/W/38 and then with a General Council symbol in WT/GC/W/772, provided a background of the work in that area and the main topics of discussion, such as, trade costs in goods, transport and infrastructure costs, border measures and procedures, trade costs in services, technology, non-trade measures, and natural disasters and their impact on trade. Each topic contained in the document described the most relevant trade costs and included some suggestions to address the challenges at national, regional and multilateral level. The Group had seen that as a very important document since it showed the specific challenges that SVEs faced regarding trade costs, and also an array of possible solutions to reduce them.

3.5. The Dedicated Session had also heard a presentation from the WTO Secretariat on trade and natural disasters. The Secretariat had recalled that two symposia had been held in April and December 2018 to discuss the links between natural disasters and the multilateral trading system and to survey the hazards, risks and losses from natural disasters. A third symposium would be held on 10 May 2019 where studies focusing on Nepal, Dominica, Saint Lucia, Fiji, Tonga and Vanuatu would be presented. The symposium would also address trade issues relating to disaster response, recovery and resilience.

3.6. Another topic that had been discussed in the Dedicated Session had been commodities trade. That had been an issue that SVEs had flagged as being of particular interest for them. For that purpose, they had been fortunate to have in attendance the Managing Director of the Common Fund for Commodities to present the mandate and work of the CFC. It had been explained that the CFC was an international financial institution that mainly financed projects in the agricultural commodity sector for producers, processors, traders and SMEs in developing countries. Specific examples of projects undertaken by the CFC in Small Economies had been provided.

3.7. A lively discussion had taken place on the basis of the two presentations. The meeting had benefitted in particular from interventions from several SVEs that had shared some of their experiences with regard to the issues under consideration. It had generally been recognized that further discussion about natural disasters and its impact on trade would be beneficial for the Group. The importance of commodities to the trade and development of many SVEs had also been recognized.

3.8. In the second semester, another meeting of the Dedicated Session would be held with a view to considering what future work could be done, and paving the way for eventual Ministerial guidance at MC12.

3.9. The representative of Guatemala, on behalf of the SVEs, said that discussions had concluded on the topic mandated by the Ministers at the Ministerial Conference in Buenos Aires on the "Challenges Small Economies experience in their efforts to reduce trade costs, particularly in the area of trade facilitation" as had been mentioned in the CTD Chair's report. The discussions had been fruitful and the results of such discussions had been recorded in an outcome document prepared by the SVE Group contained in document WT/GC/W/772. During the dedicated session meeting on 29 April, the document had been thoroughly discussed, but as a group, it had thought that it had been important to also present it to the General Council.

3.10. The document highlighted the main sources of trade costs for SVEs and included several policy options and solutions at a national, regional and multilateral level. It showed trade costs in areas such as goods, services, transport infrastructure and non-trade measures. Technology had been identified as an important tool for the reduction of costs and the creation of opportunities, but the problem of lack of infrastructure to support technology tools had also been mentioned. During the discussions, the effect of natural disasters in basic infrastructure had likewise been highlighted as a relevant source of trade costs.

3.11. The Group would continue to analyse the solutions contained in the document and try to reflect it in the work of the WTO.

3.12. During its previous meeting, the dedicated session had also discussed the topic of vulnerability of small economies to natural disasters and the impact of trade. The SVEs looked forward to the continuing discussions on that issue and to the results of the research and case studies that the Secretariat had produced over the impact of natural disasters in several SVEs.

3.13. The representative of Trinidad and Tobago, on behalf of CARICOM, took note of the outcome document presented at the recently held Dedicated Session on Small Economies and thanked Guatemala for its efforts. The Group supported the continuation of work to address the challenges small economies experienced. Advancing the Work Programme on Small Economies was particularly important for the members of CARICOM who were exposed to unique circumstances and challenges. The outcome document shed further light on the obstacles facing small economies in meaningfully participating in global trade and the collective effort that was needed from the organization to confront those issues. Strong systemic level responses from the membership were needed given that the routine flexibilities currently provided to small economies were insufficient to support a pathway to sustainable growth and development.

3.14. "Natural Disasters and their impact in trade" was of special interest to CARICOM and the Group looked forward to continued work on that theme and greater awareness among the Members of the vulnerabilities of small island developing economies and the adverse effects natural disasters could have on trade costs. For example, the 2017 hurricane season in the Caribbean had ushered in a record number of six consecutive hurricanes which had accounted for US\$ 229 billion in damage – resulting in significant economic closes across the region. The destruction of the economies of territories in CARICOM provided a clear illustration of the substantial threat and impact climate change posed to their trade with the global community.

3.15. CARICOM called on Members to work towards establishing mechanisms that could be activated subsequent to a catastrophic natural disaster and to allow for the necessary policy space to achieve recovery in the shortest possible time. Their countries needed special treatment beyond what was currently offered under existing rules. It was evident that small vulnerable economies needed flexibilities corresponding to existing vulnerabilities.

3.16. CARICOM supported the crafting of rules that promoted the building of economic and trade resilience in small island developing States and looked forward to participating in the upcoming third Symposium on Natural Disasters and Trade.

3.17. The representative of Sri Lanka acknowledged the message of condolences expressed by the various delegations on the tragic losses that had unfolded in Sri Lanka. Sri Lanka had assured the

international community that it would be resilient and, as it had done in the past, would try to put the pieces together and face all those manmade disasters which had taken most of the influential sectors in the country – particularly tourism – backwards.

3.18. Sri Lanka associated with the statements made by the SVE Group and by Trinidad and Tobago. As a small economy which had vigorously promoted its tourism sector, the recent manmade disaster had created a lot of challenges for Sri Lanka. According to recent statistics, nearly 70% of hotels were losing their occupancy bookings and in 30% of its tourism sector, the damage was calculated to be around 30% in losses – posing an obstacle to Sri Lanka's tourism industry which had recently been gaining momentum – trying to be the biggest income earner for the country by surpassing trade in goods. Those examples demonstrated how vulnerable Sri Lanka was to both natural and manmade disasters. The WTO should therefore focus more on such issues faced by small and vulnerable economies like Sri Lanka.

3.19. Sri Lanka had actively participated in discussions particularly on trade costs and on natural disasters. Although the WTO provided certain flexibilities in those circumstances, they were not adequate to address its concerns. The TFA per se had been cited as one way to overcome the challenges SVEs faced but certain limitations existed in the Agreement due to the lack of technical assistance that had been foreseen under Category C commitments. The bigger Membership should therefore look into various possibilities to see whether the requests Sri Lanka had made under Category C commitments could be entertained within their own financial resources.

3.20. Sri Lanka also called on Members to translate the recommendations of the reports and the studies presented at the dedicated sessions into meaningful action – as that was what had been envisaged in the process. Sri Lanka thanked the Secretariat in carrying out a lot of studies, particularly on national disasters and assured Members that although it was not figuring in that study, it would still like to share its experience in that area.

3.21. The General Council took note of the report of the CTD Chair and of the statements.

4 INFORMAL PROCESS ON MATTERS RELATED TO THE FUNCTIONING OF THE APPELLATE BODY

4.1 Progress Report by the Facilitator

4.1. The Chair recalled that at the February meeting, her predecessor had proposed that the Informal Process on Matters related to the Functioning of the Appellate Body led by Ambassador Walker as Facilitator, continued under the auspices of the General Council, and that another stock-taking of the situation take place at the General Council meeting.

4.2. Since then, the Facilitator had continued his process of consultations in different configurations and had also provided an additional report to all delegations in an informal Open-ended meeting on 9 April. Consultations had continued since that meeting. She therefore invited Ambassador Walker to report on the developments in that Informal Process including on a possible way forward.

4.3. Ambassador David Walker, Facilitator of the Informal Process on matters related to the Functioning of the Appellate Body, reported⁶ on the status of the informal process and of his own consultations. He thanked all delegations for their continued guidance and support. The report should be read in conjunction with his report to the 28 February meeting of the General Council which had been issued as JOB/GC/215.

4.4. Since then, meetings had continued in a range of formats, keeping in mind the solution-oriented spirit of the exercise. This included the open-ended meeting on 9 April that the Chair had described. He had also convened five small-group meetings on 21 and 28 March, 16 and 23 April and 1 May.

4.5. As in previous meetings, the group had comprised delegations and coordinators that had (i) tabled written proposals; (ii) raised concerns about the functioning of, and the adherence to WTO

⁶ The Facilitator's report was circulated in JOB/GC/217.

rules by, the Appellate Body and (iii) made alternative proposals and/or raised follow-up questions or concerns on the proposals or issues.

4.6. The objective of those informal sessions had remained two-fold, namely: to actively and constructively review and discuss the concerns raised, issue-by-issue; and to provide an opportunity to hear new or alternative proposals, concerns and other ideas. They had also remained mindful that some of the discussed issues were interlinked and multifaceted.

4.7. Ahead of the open-ended meeting, small-group discussions in March had been focused mainly on specific issues. Discussions had evolved around 'overreach', 'precedent' and the 'issue of law and fact'. Those issues had already been discussed, to some extent, in February but – as he had indicated in JOB/GC/215 – merited further discussion.

4.8. Since the open-ended meeting, small group discussions in April and on 1 May had revolved around a series of proposals from Members – which were listed under the agenda item that day as followed: WT/GC/W/763/Rev.1 – Chinese Taipei; WT/GC/W/767/Rev.1 – Brazil, Paraguay and Uruguay; WT/GC/W/768/Rev.1 – Japan, Australia and Chile; and WT/GC/W/769 – Thailand.

4.9. Those proposals, which were of a more horizontal nature, looked to take account of earlier discussions and sought to frame potential solutions to the issues raised.

4.10. In introducing those proposals in the small-group discussions, proponents had argued in favour of a simple and practical approach to reinforce existing DSU provisions and ensure their effective implementation through the vehicle of decisions by the Dispute Settlement Body and/or the General Council, including possible 'guidelines' for the benefit of the Appellate Body, Panels and Members.

4.11. In addition, as he had mentioned at the open-ended Informal Meeting on 9 April, a number of supplementary ideas had only been expressed orally in the informal process and were not yet captured in any of the written proposals.

4.12. On his second report on Informal Process, his assessment of the current state of play across the various issues under consideration was as followed.

4.13. Concerning Rule 15, discussion had reinforced that the DSB had the explicit authority and responsibility to determine membership of the Appellate Body. To assist Members in discharging that responsibility, the selection process to replace outgoing Appellate Body members should be automatically launched six months before the expiry of their term in office. How such selection process could best be conducted remained to be discussed.

4.14. Proposals had been made to better align the assignment of Appellate Body members nearing the end of their term with the general rule on expected duration of an appeal in DSU Article 17.5. Discussion continued as to whether, notwithstanding DSU Article 17.2, an Appellate Body member so assigned should be able to complete an appeal process in which the oral hearing had been held.

4.15. Concerning 90 Days, there remained no disagreement as to the clear text of DSU Article 17.5 – 90 days meant 90 days. Proposals had been made to facilitate the deadline being met. For example, that 'proceedings' should be taken to mean the issuance of the Appellate Body report in the 'original language' of the dispute; and that it could be useful to provide guidance to the Appellate Body and Members on potential ways to assist the '90 days' timeframe being met in complex appeals.

4.16. It remained under consideration whether the parties should be able to agree that their appeal could exceed 90 days if the Appellate Body was unable to complete its report within that time period and, in that instance, whether the ability to extend should be time-limited. Discussion also continued on the consequences if an Appellate Body report was not completed within 90 days or any allowable extension agreed by the parties.

4.17. Concerning Municipal Law, discussion had reinforced that the 'meaning of municipal law' should be treated as a matter of fact and therefore was not subject to appeal. It was also understood that the DSU did not permit the Appellate Body to engage in a de novo review or to 'complete the analysis' of the facts of a dispute.

4.18. There had also seemed to be convergence that it had been incumbent on Members engaged in appellate proceedings to refrain from advancing extensive and unnecessary arguments in an attempt to have factual findings overturned on appeal, under DSU Article 11, in a de facto 'de novo review'. Discussion continued on whether guidance should be provided limiting Article 11 appeals to situations of exceptional circumstances such as 'egregious error' by a Panel.

4.19. Concerning Advisory Opinions, discussion had indicated concurrence that issues that had not been raised by either party should not be ruled or decided upon by the Appellate Body. Discussions continued on how best to provide guidance to the Appellate Body that it should address issues raised by parties in accordance with DSU Article 17.6 only to the extent necessary to resolve the dispute. In that context, proposals had been made which sought to encourage the Appellate Body to make greater use of judicial economy.

4.20. Concerning Precedent, there remained no disagreement that binding precedent was not created through WTO dispute settlement proceedings. At the same time, it was clear that consistency and predictability in the interpretation of rights and obligations under the covered agreements was of significant value to Members.

4.21. While Panel/Appellate Body findings were specific to the particular dispute at hand, discussion continued on how best to provide guidance to Panels and the Appellate Body that they should take previous Panel/Appellate Body reports into account to the extent relevant and only followed findings of those reports if and to the extent they found them to be sufficiently persuasive in the dispute they had before them.

4.22. Concerning 'Overreach', it was recognized that 'overreach' remained potentially the most complex aspect of the process, depending on the scope of issues identified and the type of solutions proposed. It had also been suggested that solutions to some of the general interpretive issues identified above could help contribute to mitigating future concerns about 'overreach'.

4.23. The idea of holding an annual meeting between the Appellate Body and WTO Members, under the auspices of the DSB, where Members could express their views on issues in a manner unrelated to the adoption of particular reports continued to be seen as potentially useful. Discussions continued about how to design such a mechanism to be of most use and relevance.

4.24. To date only one proposal had been made to provide guidance on a specific interpretive issue – that in WT/GC/W/768/Rev.1 in respect of Article 17.6(ii) of the Anti-dumping Agreement. It remained to be seen whether delegations would seek to address any further issues of a specific nature.

4.25. He had attempted in that report to capture where he thought Members stood in the discussion and to identify where, in his view, it would be fruitful to explore issues further. That day's report would be issued after the meeting – also in the JOB/GC-series and delegations looking to report to capitals on the evolution and status of that discussion might wish to make reference to it.

4.26. The discussion so far had shown that finding a solution that would address the key concerns raised was not going to be easy. But Members needed to keep trying and sound out compromise solutions that would help improve the functioning of the Appellate Body and adherence to the DSU.

4.27. Unless advised otherwise by the Chair, it was his intention to continue their dialogue in a solution-oriented manner in different configurations in the run up to the next General Council meeting in July. In doing so, he would count on the continued input and support of all Members in framing possible areas of convergence – drawing on the ingredients in the specific proposals which had been made and supplementary ideas which had been expressed orally in the informal process. To ensure transparency, he would continue to report at open-ended Informal Meetings and formally to the General Council, at the invitation of the Chair of the General Council.

4.28. He thanked all delegations who had contributed with ideas and suggestions so far. If any delegation wished to discuss any specific issue on the informal process further, they could come and see him at any time.

4.2 Guidelines for the work of Panels and the Appellate Body – Communication from Brazil, Paraguay and Uruguay (WT/GC/W/767/Rev.1)

4.29. The Chair referred to the communication circulated by Brazil, Paraguay and Uruguay in WT/GC/W/767/Rev.1 and invited the proponents to introduce it.

4.30. The representative of Brazil said that his delegation supported the informal process and would continue to engage constructively. As one of the main users of the WTO dispute settlement mechanism, Brazil wanted to ensure not only that the WTO maintained a functioning dispute settlement system, but also that the main features of the system were preserved. A solution to the present deadlock required, above all, the clarification of some key provisions of the DSU.

4.31. That was why Brazil, together with co-sponsors Paraguay and Uruguay, was proposing the adoption of guidelines based on a minimalist and pragmatic approach. The proposal tackled the core issues that were hindering the effectiveness of the dispute settlement system and only to the extent necessary. The aim was not to reiterate the text of the DSU but rather to provide guidance on its interpretation. It dealt with the practice rather than the rules themselves which was a simpler path than seeking changes to the DSU text.

4.32. Without going into the technical details, Brazil noted that their proposal dealt with the 90-day deadline, Rule 15, Extent of Analysis and Findings, Factual elements and Precedents. The co-sponsors remained ready to discuss the details of the proposal with all interested Members. Members could not lose focus of that exercise. Their immediate goal should not be to improve or perfect the system but to find a timely resolution for the issues raised before December 2019.

4.33. As for the other proposals that would be examined that day, Brazil had listened carefully to Members during the informal process and had looked at the proposals tabled. There seemed to be a good deal of common ground among them. There was a clearer picture of what the possible outcomes were which was encouraging. Members had enough elements on the table to let them find a workable solution in time if there was real engagement. What they needed then was a flight plan.

4.34. The representative of Paraguay reiterated Paraguay's concern over the current situation of the Appellate Body. Paraguay would continue to support the informal process led by Ambassador Walker to identify a negotiated solution to the Appellate Body impasse.

4.35. Over the years, Paraguay had not made much use of the dispute settlement system but was aware of the need to maintain an efficient and predictable Body that was accessible to the entire Membership irrespective of their level of development or status – a Body before which they could resolve their trade disputes.

4.36. The priority of the entire membership should be to restore the Appellate Body to its full capacity and launch the selection process of its members without further delay. Paraguay had decided to co-sponsor the proposal for guidelines submitted by Brazil and Uruguay because it contained interesting elements that could feed into the debate and reach a meeting of minds and overcome the current impasse.

4.37. The aim of the guidelines was to establish a framework in order to guarantee the continuity of the panels and the Appellate Body without interruption, incorporating regulations establishing, inter alia, respect for the 90 day deadline in accordance with the DSU, limit the scope of recommendations to that which was strictly relevant for resolving the dispute and launching the selection procedure for filling vacancies as they arose 180 days before the expiry of a member's mandate so as to ensure that the Body could function at all times.

4.38. That was why they were calling on all Members to pursue open and constructive discussions to enable them to reach a negotiated solution under the process. Paraguay thanked all Members who had submitted proposals and made contributions as they continued to work towards a solution.

4.39. The representative of Uruguay noted that the latest proposals would seem to point to a growing consensus on responding to the concerns related to the Appellate Body through the formulation of recommendations or guidelines to enhance its functioning rather than modifying the original agreements.

4.40. Their proposal was timely and provided a good avenue for allaying the concerns raised over the functioning of the Appellate Body. It revisited the spirit of the original agreements, re-conferring to the Ministerial Conference, the General Council or the DSB the powers to decide on the main concerns – with a text that was concrete and concise.

4.41. The proposal echoed in two ways what had been agreed twenty-five years ago when the Marrakesh Agreement had been signed: first, because it responded to what was currently politically possible since the conditions for revisiting the agreements did not seem to be met and second, because it was based on a critical assessment and implicitly recognized that some adjustments were needed for the concrete application of the original agreements.

4.42. Uruguay recalled the importance of respecting the necessary independence of judgement of the Panels and the Appellate Body and understood that the adoption of guidelines would not compromise that and would enable, in parallel, the rectification of some problems that had been witnessed in practice with the Appellate Body over the years.

4.43. Uruguay called on all Members to work together and reach a compromise that would allow a negotiated and consensual way out of the stalemate. For the proper functioning of the Appellate Body, Uruguay recalled the urgent need to work in that manner to find a solution to the process of appointing members to the Appellate Body.

4.3 Guideline Development Discussion – Communication from the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu (WT/GC/W/763/Rev.1)

4.44. The Chair referred to the communication circulated by the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu in WT/GC/W/763/Rev.1 and invited Chinese Taipei to introduce it.

4.45. The representative of Chinese Taipei said that, as Ambassador Walker had reported, Chinese Taipei's proposal had first been circulated in document WT/GC/W/763 in February. A revision had later made and resubmitted in April.

4.46. Chinese Taipei's proposal suggested a "guideline approach" where Members developed a set of guidelines to clarify or elaborate on the existing DSU rules with a view to addressing the concerns being raised. That suggestion was based on practical considerations given that Members were seeking for a solution with minimal impact to the existing system and the limited time they had to prevent the paralysis of the Appellate Body. Chinese Taipei therefore considered that guideline development was a preferable way to address those issues.

4.47. Chinese Taipei did not see that the proposals on the table were necessarily mutually exclusive and was flexible with all the other approaches as long as a solution could be reached. Without going into much detail, Chinese Taipei highlighted three points concerning the substance of the guidelines.

4.48. First, regarding the municipal law issue, in addition to confirming the Appellate Body's jurisdiction under Article 17.6 of the DSU and the characterization of municipal laws, Chinese Taipei suggested for Members to consider setting a clear threshold for the appeals raised under Article 11 of the DSU. The "egregious error" and "good faith" approach had been expressed by the Appellate Body in the 1998 EC – Hormones dispute. By setting such a threshold, Members could assist the Appellate Body to perform what it had repeatedly stated, "not interfere lightly with a panel's fact-finding authority". Furthermore, Members also demonstrated their willingness to refrain from raising factual issues at the appellate stage.

4.49. Second, Chinese Taipei proposed a mechanism that could enhance the interaction between the Appellate Body and the Members. The mechanism was actually based upon the existing practices. The proposal urged the Secretariat to summarise Members' concerns that were expressed under Article 17.14 of the DSU and the Appellate Body to respond to those concerns in its annual report or other dedicated documents.

4.50. Lastly, regarding setting guidance on the Appellate Body's legal approaches, the guidelines should not be too prescriptive or intrusive. The independence of the Appellate Body was the

foundation of the mechanism and should not be shaken. A rigid, ossified framework could drive away capable potential candidates.

4.51. Chinese Taipei thanked Members for their efforts in that regard, would continue working in that area and looked forward to effective and constructive engagement from all of them.

4.4 Informal Process on matters related to the Functioning of the Appellate Body – Communication from Japan, Australia and Chile (WT/GC/W/768/Rev.1)

4.52. The Chair referred to the communication circulated by Japan, Australia and Chile in WT/GC/W/768/Rev.1 and invited Japan, Australia and Chile to introduce it.

4.53. The representative of Japan said that Ambassador Walker's report reflected the discussions they had had since the General Council meeting last February and also identified remaining issues emerging along the way.

4.54. Japan, together with Australia and Chile, had tabled the document WT/GC/W/768/Rev.1 to the General Council. The document addressed certain key issues confronting Members with a focus on the issue of 'overreach' and thus intended to build on other proposals. To summarise, the proposal contained possible solution elements in the form of DSB decisions which the co-sponsors considered to be most practical.

4.55. The draft decisions would cover the following aspects: Scope of issues to be considered by the Appellate Body; Strict observance of the 90-day time-period for appellate review; Precedential value of prior Appellate Body reports; Requirements that a panel and the Appellate Body not add to and diminish the rights and obligations provided in the covered agreements; and Regular dialogue between the DSB and the Appellate Body.

4.56. Since they had started preparing for that proposal, they had had fruitful and in-depth discussions with other Members on the various elements which were contained in the document. It was not their intention to pursue the adoption of the proposed legal instrument as it was. They had rather wanted to contribute to Members' collective efforts to explore the most practical, feasible and expeditious solutions to the matters related to the functioning of the Appellate Body.

4.57. The informal process should continue. There had already been enough ingredients on the table for possible solutions to the issues before Members. With those proposals and other contributions made so far, Members were ready to move to the next phase. The next two months were critical to the successful conclusion of the process. Japan urged all Members to continue to actively engage in the discussions so as to find a final solution in a timely manner.

4.58. Apart from their proposal in WT/GC/W/768/Rev.1, a recent ruling in a dispute to which Japan had been a party of should remind Members of the importance of the principle that DSB recommendations or rulings should be aimed at achieving a satisfactory settlement of the matter.

4.59. The representative of Australia was pleased to join Japan and Chile in tabling the proposal WT/GC/W/768/Rev.1 which sought to address systemic issues in the WTO dispute settlement system. The proposal took the form of a DSB decision which the co-sponsors considered to be one way but not necessarily the only way of resolving those issues. As Japan had noted, the proposal sought to respond directly to some of the concerns raised by Members by succinctly clarifying the scope of issues that could be reviewed by the Appellate Body – that the Appellate Body should observe the 90-day timeframe for completing appeals, the precedential value of prior Appellate Body reports and that Panels and the Appellate Body could not add to or diminish the rights and obligations of Members as provided for in the covered agreements. It also established a regular dialogue between the DSB and the Appellate Body to ensure among other things that that guidance was properly implemented.

4.60. Australia thanked Members for their constructive engagement on the proposal and to those who had put forward other valuable proposals – some of which it had also co-sponsored. Taking all of the proposals together, the parameters were much clearer for a more structured and targeted discussion of the issues. Going forward, Australia encouraged Members to steer the discussion

towards concrete proposals and solutions – and to do so swiftly to ensure that Members would find solutions in the interest of all by the end of the year.

4.61. The representative of Chile noted that Chile had co-sponsored the proposal which had originally been put forward by Japan with the title "Informal Process on matters relating to the Functioning of the Appellate Body". Since then, Australia had also joined the communication.

4.62. Their proposal was simple, pragmatic and constructive. It sought to reach consensus on the issues the dispute settlement system was currently confronting without the need to change the original text. It reasserted the commitments and obligations under the GATT 1994 in the area of dispute settlement seeking to ensure their correct implementation, both by Panels and the Appellate Body as well as by all Members.

4.63. The proposal sought to be a constructive contribution to the informal process carried out by Ambassador Walker. Chile trusted that the process would be successfully concluded on the basis of the consensus currently being built.

4.5 General Council Decision on the Dispute Settlement System of WTO – Communication from Thailand (WT/GC/W/769)

4.64. The Chair referred to the communication circulated by Thailand in WT/GC/W/769 and invited Thailand to introduce it.

4.65. The representative of Thailand appreciated the various proposals that had been made by Members. Thailand's proposal was intended to complement them and to contribute to the ongoing discussions on the Appellate Body by providing more detailed and constructive suggestions on key issues. In that regard, Thailand highlighted six major components of its proposal.

4.66. First, on the transition rules for outgoing Appellate Body members, the proposal recommended consultation and approval by the DSB which should be automatic in appeals where the oral hearing took place at least 30 days before the completion of the term of the outgoing AB member.

4.67. Second, on the 90-day deadline, the proposal reiterated that the appellate review should be strictly completed within 90 days. Thailand proposed a consultation process between the Appellate Body and the Parties to the appeal whenever the Appellate Body considered that it would be difficult to meet the 90-day deadline.

4.68. Third, on the characterization of municipal law, Thailand proposed to clarify that, in principle, the interpretation of municipal law was a question of fact. In addition, wherever "mixed" questions of fact and law were involved, Panels were encouraged to characterise the issues as either factual or legal, and the Appellate Body should afford due consideration to the Panel's characterization.

4.69. Fourth, with respect to the issue of findings necessary for the resolution of the dispute or obiter dicta, Thailand proposed to clarify that the Appellate Body should carefully consider the extent to which findings on each issue raised were necessary to secure a positive solution to the dispute. Its proposed draft decision also established, among other things, a consultation process between the Appellate Body and the Parties, to determine which findings were necessary to secure a positive resolution to a dispute. The ultimate decision-making power rested with the Appellate Body. However, the Appellate Body should explain its reasoning in its report.

4.70. Fifth, with respect to the precedential effect of previous Panel and Appellate Body reports, only authoritative interpretations by Members under the WTO Agreement, and not the findings of Panels and of the Appellate Body, had binding effect. At the same time, the draft decision recognized the useful value that prior reports could have for any given dispute and required Panels and the Appellate Body to explain in detail the extent to which they viewed those prior reports to be relevant to the case being considered.

4.71. Lastly, Thailand proposed to institute a regular annual dialogue between the WTO membership and members of the Appellate Body. The dialogue should be without prejudice to the right of

Members to express their views on an Appellate Body report, and should be conducted in a manner that ensured the integrity and impartiality of the appellate review.

4.72. Thailand remained open to further discuss its proposal with other Members and noted that the process of WTO reform should be transparent and inclusive where all Members should actively participate in and contribute.

4.73. The representative of the Republic of Korea said that the Informal Process had successfully served as a way to facilitate the discussion on the Appellate Body issue. Korea supported the continuation of the Informal Process and urged all Members to participate in discussions with a view to finding solutions in a timely manner.

4.74. There were eleven proposals on the table including the four communications on the agenda of the meeting. Without going into detail on the proposals as the specifics had already been dealt with at the Informal Process, Korea wished to share some general observations on them.

4.75. Among the eleven proposals, the one contained in WT/GC/W/752 which was co-sponsored by the European Union, Korea and others had the most comprehensive and clear suggestions. The solutions contained in all the proposals were not however mutually exclusive but had commonality with each other in nature.

4.76. For example, the proposal by Thailand was complementary to the other proposals as it clarified the options included in other proposals by providing detailed criteria. It also suggested an additional consultation process between the Parties and the Appellate Body to seek better solutions.

4.77. It was therefore time to prepare a compilation to sum up the proposals so that Members could analyse the options altogether. Korea hoped that all Members would share the sense of urgency and join in the efforts to come up with solutions to the impasse in the Appellate Body.

4.78. The representative of the European Union thanked Ambassador Walker for his summary and for providing a fair description of where things currently stood. The EU reiterated its support for the solution focused process. The crisis was urgent and should be addressed as a matter of priority. In previous meetings, that urgency had been quasi-unanimously acknowledged by the membership.

4.79. That was why the EU, and so many other Members, had made serious efforts to address the concerns raised by the Member blocking the appointments thereby taking hostage of the whole dispute settlement system. Even though the EU did generally not agree with the underlying concerns, it had made a serious and sincere effort to address them.

4.80. Members currently had a number of proposals on the table and the opportunity to discuss them in detail in room E. The EU hoped that the process would move forward and supported Ambassador Walker's intentions that he had just laid out.

4.81. On substance, the best way forward remained the one contained in the concrete proposals WT/GC/W/752 and WT/GC/W/753 that the EU had submitted together with other Members to the General Council. The EU had taken good note of the comments and positions expressed by other Members on the details of those proposals. Overall, those discussions had revealed that there could in principle be agreement on the substance of most of the proposals.

4.82. In that regard, there were similarities in terms of substance between a number of elements contained in their proposals and those contained in the proposals put forward by other Members. As always, there were different options to deal with various issues and the EU would continue to approach those discussions in a constructive fashion.

4.83. Taken together, those proposals were no small matter. If adopted, they would have a profound impact on the way the Appellate Body operated.

4.84. The EU therefore called on all Members, and in particular the Member who had raised the concerns in the first place, to engage. Staying silent did not help to take the reform process forward. Engagement meant moving beyond general questions as to why the Appellate Body had allegedly

been straying and to call for a return to what had been agreed in 1995. For there to be progress, there had to be a political willingness to discuss very specifically the concrete proposals on the table.

4.85. The representative of Mexico said that the proposals tabled clearly reflected the interest there was in trying to overcome the current crisis. There were currently eleven proposals before Members from different points of view and positions seeking to take on board the concerns expressed by one Member. It was time for them to listen to that Member's reaction to those proposals.

4.86. As Mexico had said at the 3 May Informal HODs meeting, all Members were responsible for the good health of the dispute settlement system and should work in a constructive fashion to maintain it. Mexico continued to support the work of the Facilitator and remained ready to engage in the coming meetings that he would convene.

4.87. The representative of Canada said that Canada was a strong supporter of the rules-based multilateral trading system and the dispute settlement system – which was one of its key pillars. Constructive discussions required involvement of all Members. In that respect, Canada invited the United States, as the Member that had raised concerns, to provide views on the various proposals on the table, or to introduce concrete proposals to develop the solutions that it considered necessary to unblock the AB selection process.

4.88. Canada welcomed the proposals that had been tabled by Chinese Taipei, Brazil, Japan and Thailand. Canada agreed with the view expressed in the proposals that the good functioning of the dispute settlement system depended not only on the Appellate Body itself but on the Members as well. For example, there had been too much focus on strict adherence to the 90-day rule for the issuance of Appellate Body reports, and not a sufficient evaluation of the underlying causes for delays in the appellate process. Canada therefore encouraged a serious examination of all possible causes, for example the increasing complexity and length of appeal submissions.

4.89. With respect to Appellate Body reform, as with all of the issues facing the organization, the responsibility for a solution was a shared one – all stakeholders should participate and contribute.

4.90. The representative of Switzerland noted that the meetings held so far had made it possible to hold useful substantive discussions. Switzerland welcomed the new proposals that had been submitted since the last meeting of the General Council. Several proposals, based on the Dispute Settlement Understanding, called for Members to reaffirm certain principles and clarify certain provisions. Certain proposals referred explicitly to "guidelines" that would be given by Members to the adjudicating bodies. Switzerland considered that approach to be pragmatic and constructive.

4.91. Regarding the subjects addressed, Switzerland stressed the importance of discussing all the concerns expressed, including transition arrangements for outgoing Appellate Body members ("Rule 15"), or the issue of the increase or reduction of rights and obligations. Switzerland also considered that solutions should not call into question the major achievements of the dispute settlement system, such as the adoption of reports by negative consensus. As regards the 90-day period for the appeal procedure, the suggestions aimed at greater involvement of the parties to the dispute in the search for solutions appeared positive. Switzerland also welcomed the fact that a number of proposals highlighted the importance of a strengthened dialogue between Members and the Appellate Body.

4.92. Those initiatives were testimony to Members' genuine desire to find concrete solutions to the concerns expressed as regards the functioning of the Appellate Body. At present Members had a wide range of possible options at their disposal that they could take as a basis in their ongoing discussions. Regarding the form that the solutions could take, several proposals envisaged a decision of the General Council or the Dispute Settlement Body, and that seemed to be a route worth exploring. However, if Members wished to make real progress, it was essential that all of them engaged in the process constructively.

4.93. Switzerland remained ready to pursue and intensify the discussions as part of the process conducted under the auspices of the General Council with the aim of finding practical and viable solutions as quickly as possible.

4.94. The representative of Ukraine reiterated Ukraine's previous statement related to the urgency of launching the selection process of Appellate Body members and stood ready to engage

constructively and collaboratively to help resolve the impasse. Ukraine had carefully examined all proposals listed on the agenda and stressed again the importance of finding a solution to the current impasse – the absence of which would jeopardise the stability and predictability of the international trading system as of December 2019.

4.95. There was still a long road ahead for Members as they needed to study, analyse and compare all proposals to find a balanced approach acceptable to all in tackling the many matters at stake. In that regard, Ukraine wished to contribute to the discussion and put on record its perspective on the municipal law issue. The general rule that only the panels would review the factual findings – findings on issues of fact – and that the scope of appellate review had been and should be limited only to legal issues – findings on issues of law – was clear. The rule specified in Article 11 of the DSU that one possible legal issue that could arise on appeal was whether a panel had failed to discharge its responsibilities under the DSU including its duty to conduct an objective assessment of the facts of the case was also beyond dispute.

4.96. The issue of whether or not a panel had made an objective assessment of the facts before it, as required by Article 11 of the DSU, was a legal question which, if properly raised on appeal, would fall within the scope of the appellate review. Otherwise, the Appellate Body could not review the matter before it in order to come to a proper understanding of the situation and would base its review on the panel's allegedly wrongful legal interpretations and characterization.

4.97. Ukraine did not see how the Appellate Body would be able to exceed its mandate if it followed the rules embodied in the DSU particularly Article 17.6. At the same time, since the application of the rules in a specific case could sometimes be difficult and the distinction between the issue of law and the issue of fact could be blurry, Ukraine shared the approach of some Members seeking to clarify the notion of "issues of law" by adopting guidelines on the future functioning of the AB.

4.98. Ukraine was however still not convinced how that matter, as well as concerns expressed with regard to Rule 15 and 90 days could justify a blockage of filling the Appellate Body vacancies as they arose. Ukraine was grateful for the opportunity to express its views and reiterated its willingness to participate in the dialogue and contribute towards finding solutions to those issues.

4.99. The representative of Singapore noted how encouraging it was to see that Members had not given up hope in unblocking the Appellate Body impasse. Eleven proposals had been tabled so far and Singapore thanked the proponents for their hard work and outreach efforts. Those proposals had greatly enriched Members' discussions – providing them with many options to build on to address the various key issues such as the 90-day timeline and Rule 15. Singapore had been carefully considering the recent proposals on the Appellate Body and looked forward to continue working closely with Members to find a path forward. Amid the many proposals and the intensive discussions, Members should not however lose sight of their ultimate objective – the unconditional unblocking of the Appellate Body selection process.

4.100. It was timely to consider how the entire membership could work together to bring about convergence. The Facilitator had the unenviable task of drawing together the common elements that seemed to be emerging from the various proposals that had been tabled and identifying a possible landing zone. Singapore had every confidence in Ambassador Walker's ability to achieve that goal. Singapore looked forward to actively engage with all Members, including the United States, to identify the common landing zone.

4.101. It was critical that Members recognized the urgency of the matter. As the Director-General had stated at the 3 May Informal HODs meeting, Members should already talk about all possible options and not wait until December since any option that Members could decide on would still require time for implementation. In other words, the resolution of the Appellate Body impasse would not happen instantaneously. Singapore therefore urged all Members to redouble their efforts to resolve the issues surrounding the Appellate Body urgently to avoid compromising the important adjudicatory function of the WTO.

4.102. The representative of Colombia said that, as a general observation, the path Members were taking by exploring guidelines for the application of the relevant provisions of the DSU was the right one – one which the Members should continue exploring with a view to overcoming the current impasse. Any negotiation should use as its starting point the need to comply with the rules and

establish interpretation criteria that were consistent with what had been agreed in 1995 thus strengthening the rule of law that had characterised and guided the organization.

4.103. Historically, Colombia had insisted for the WTO not to enforce the rule on precedent. The proposals reflected that point which some had considered to be a clear principle. Implementing that would imply that each Member, by participating in the dispute settlement system, would not insist on using the principle of precedent in its disputes as its main tool for arguing its case. The Panels and the Appellate Body should rule on the cases based on the facts, evidence and law as had been submitted for consideration rather than on a doctrine developed on a case by case basis. That doctrine could be little more than a benchmark rather than a basis for argumentation. Consequently, Colombia was pleased that the proposals reflected that point.

4.104. Colombia concurred on the importance of complying with the statutory terms established in the DSU. That would require, inter alia, the Secretariat having the requisite resources to be able to ensure proper administration and implementation of the terms provided for under the DSU. The Parties in turn should be aware that appealing a case was not the same as relitigating it. The appeal, by its nature, was limited to matters of law and should be much less substantial than a claim. It should be precise and of high standard to be admitted in the second instance. Parties erred in bringing appeals without making a distinction between elements of fact and elements of law, and the Appellate Body erred in admitting empty, immaterial or irrelevant appeals. It seemed that they should continue to reflect on that with a view to proposing a structural solution to that problem.

4.105. There were issues that did not merit further discussion and that should be implemented. That was the case of the Appellate Body and the Panels not being able to interpret municipal law. They should consider it as a fact in line with the development of over 100 years during which that had been part and parcel of international law. Colombia welcomed the new proposals and viewed them favourably as a concrete response to the impasse that was affecting the dispute settlement system, particularly with the looming December deadline. As Colombia had indicated at the 3 May Informal HODs meeting, those proposals represented a brave step forward towards allaying the concerns raised. Colombia hoped that those proposals would help Members overcome the impasse through their active participation.

4.106. The representative of Nigeria had taken note of all the proposals and hoped that Members would eventually reach convergence on positions that would be favourable to all. Nigeria thanked Japan, Australia and Chile for the proposed draft General Council decision in WT/GC/W/768/Rev.1 on Appellate Body reform. Nigeria underscored the importance of ensuring the effective functioning of the dispute settlement system. The WTO dispute settlement system remained a core pillar of the multilateral trading system. It was therefore pertinent that Members strived to strengthen the system in order to enhance predictability in the functioning of the Appellate Body.

4.107. The maintenance of the 90-day period for examining cases submitted to the Appellate Body and the presentation of the final report thereafter would undoubtedly result in improving the efficiency of the Appellate Body. Nigeria was however mindful of the current challenges faced by the Appellate Body in discharging its functions within the stipulated 90 days. Given their large volume of work, imposing strict deadlines could not be effective. It was therefore recommended that some level of flexibility within that period was pertinent. The proposal for 120 days would be more ideal as it would give ample time for the Appellate Body to discharge its functions. Nigeria acknowledged the importance of the ongoing discussions on the AB and on reform both at the regular and special sessions. Nigeria stood ready to engage in further discussions around the foregoing issues to facilitate the effective functioning of the dispute settlement system.

4.108. The representative of Jamaica, on behalf of the ACP, had taken note of the progress reported in the process and welcomed the considerable efforts of delegations in submitting proposals geared towards unblocking the logjam in the appointment process. In that regard, the ACP thanked the various proponents including the European Union, Chinese Taipei, Japan, Brazil and Thailand and their respective co-sponsors for the proposals advanced thus far. The ACP had also noted the commonalities and overlaps in the proposals. All Members had conveyed the importance of the WTO dispute settlement mechanism and its international reputation of success. All efforts to make the system function in accordance with the spirit of the Dispute Settlement Understanding should therefore be welcomed.

4.109. While the ACP was still considering its position on the various proposals, the Group supported the reaffirmation contained in most of the proposals that the dispute settlement system was central and necessary to providing security and predictability to the multilateral trading system. As such, the primacy of the DSU remained undiluted. Further, the Group's interest rested at the heart of an independent, impartial, efficient and transparent mechanism. Nothing should therefore undermine the principles of independence and impartiality of the Appellate Body. The ACP supported the need for an effective and efficient dispute settlement system which should not add to or diminish the rights and responsibilities of Members. Approaches should not be overly engineered or too prescriptive to foresee flexibility when needed.

4.110. Further, the solution should not result in an adumbration of the rights and responsibilities of any party to the dispute. Limiting the scope of issues to be treated with or the length of submissions could be seen as an artificial construct thereby limiting the rights of parties to the dispute. In addition, discussion should not lead to new understandings or de jure interpretations of the covered agreements outside of the formal process outlined in the Marrakesh Agreement.

4.111. There was established practice in international courts and tribunals which was worth considering in areas which assisted with promoting certainty and stability which were important aspects of law. For example, in the area of precedence, while there was no strict adherence to the doctrine of precedence, some international courts took into account previous decisions when the fact patterns were similar and the same legal principles applied with respect to similar agreements. The Group continued to study the idea of an annual meeting between the Appellate Body and the DSB such as in WT/GC/W/752 which was worth testing. Further discussions and additional assessments would be required in order to ensure that the elements of the guidelines outlined in the various submissions remained consistent with the principles regarding the system.

4.112. With that in mind, the ACP Group welcomed further informal exchanges on non-binding guidelines with a view to agreeing a solution. Importantly, the ACP reiterated that it did not support agreeing on guidelines before commencing the process of appointment. The Group urged Members to start and complete the Appellate Body appointments process while examining various issues causing the difficulty over appointments. It was important to place a greater focus on resolving the impasse over the appointment of Appellate Body members to avoid the paralysis of the Appellate Body in December while continuing discussions on guidelines or DSU reform. The ACP Group reiterated the importance of a strong, rules-based, fair, inclusive and transparent multilateral trading system.

4.113. The representative of the Philippines commended the hard work of all contributors to the process including the recent communications in WT/GC/W/767 by Brazil, Paraguay and Uruguay, WT/GC/W/768 from Japan, Australia and Chile, and the latest from Thailand in WT/GC/W/769. Those, together with all prior proposals, informed the discussion usefully and supported Members' efforts to find a landing zone on time.

4.114. As had been noted by Ambassador Walker, as a brainstorming and solutions-oriented process, not all the ideas and potential solutions in the interactive process were necessarily captured in written proposals and encouraging open and further discussions could yield other options and ideas that could provide constructive pathways ahead. One example was Jamaica's reference to ICC and Vienna Convention rules. Another was the possible automaticity of panel rulings on the 90th day as was also envisaged by parties to disputes recently opting for no appeal options to adopt panel reports.

4.115. The Philippines supported efforts by Ambassador Walker to continue work to narrow possible landing zones by pencilling down emerging ideas on Rule 15 and the 90-day deadline as there were enough building materials to envisage how the landing zone could begin to look like. On where the landing zone could be located, work on the emerging ideas would eventually suggest to Members if guidelines or amendments would be most suitable. Further structured work, as had been suggested by Australia, could also show which ideas could be implemented through a guideline, or which ideas would need an amendment of the rules.

4.116. The question of when the landing zone should be completed could become complicated when attempting to address the issue of overreach. That kind of conversation could take time. If a linkage was created, it would not bode well for the urgent need to fill up the AB vacancies. On the other

hand, the conversation could also be decoupled from the immediate task of filling up the vacancies. The Philippines stood ready to engage with all Members in a solutions-oriented effort and contribute to finding a balanced and durable outcome on the functioning of the Appellate Body.

4.117. The representative of Argentina valued the proposals that had recently been circulated as well as the detailed discussions Members had held on them and the elements in the documents by Japan and Brazil which were positive. The informal discussions had enabled Members to have a sound initial assessment on the aspects of the system that functioned well and those that could be improved upon. As a next step, Members should focus on making progress on specific results on matters discussed to date, and to have preliminary conclusions on various issues. That would help them have clarity on the areas of convergence and divergence that persisted among the Membership.

4.118. In that respect, Argentina insisted on its position on the issue of precedence. A rejection of the obligatory principle of precedence should not be equated with the rejection of the continuation and coherence of jurisprudence of the WTO system. Discussions without specific outcomes could lead to the collective failure in meeting the December deadline – the moment when the Appellate Body could be paralysed if Members did nothing to revert the situation.

4.119. Argentina reiterated its commitment to continue to actively participate in that informal dialogue and to preserving the essential characteristics of the dispute settlement system – independence, efficiency and professional competence in line with the covered agreements. Argentina also highlighted the pressing need for transparent and pragmatic dialogue involving all interested stakeholders and their active participation to reach a basic consensus among the Membership.

4.120. The representative of Benin, on behalf of the African Group, recalled that, at the 3 May Informal TNC meeting, the African Group had shared its views with other Members on the Appellate Body issue – the elements of which could be found under Section E of its statement. All reforms should take up views of developing countries in line with the WTO development program in order to respond to capacity issues and that of the development of African countries and to address the structural aspects in order to help African countries to participate in the dispute settlement system while preserving its integrity. It was urgent for the selection process of Appellate Body members to be unblocked and launched. Members should step up their efforts to have concrete and concerted proposals which should be easy to implement. In that regard, the African Group was discussing it and would be providing a structured text taking into account their needs and priorities.

4.121. The representative of Guyana recognized the efforts of Members that had advanced proposals and ideas including the four papers before them that day and thanked them for their collective effort to promote reform and find a durable solution to the Appellate Body crisis. Guyana supported the full consideration of all the elements in the communications before them that day. Together, all the proposals, including WT/GC/W/752 and WT/GC/W/753, addressed the concerns that had been raised for improving the functioning of the Appellate Body. Guyana supported particularly the call for regular dialogue between the DSB and the AB in WT/GC/W/768/Rev.1 and the filling of vacancies proposal in WT/GC/W/767.

4.122. In spite of all the efforts, Guyana had a foreboding concern. It was time to assess how Members were doing and what more they could do on the current path to resolve the Appellate Body crisis. Sufficient ideas and proposals were on the table around which they should be able to resolve that matter. Guyana worried about continuing with what could deteriorate into a circular and repetitive process of consultations without a clear path to a solution on the matter. Members should develop and concur on an agreed path with set timelines to complete both aspects of the matter – settling the AB appointments and the reform of the dispute settlement system. Guyana stood ready to contribute to that process.

4.123. The representative of India said that there was a growing desire among many Members to reform the WTO. They could kickstart that process of reforms by finding a solution to the impasse of filling up of Appellate Body vacancies. Since the last General Council meeting, Members had had several meetings under the informal Walker process on Appellate Body matters where many Members had submitted proposals. India thanked all Members who had made submissions on that critical issue and supported the informal solution seeking process.

4.124. Keeping in mind the urgency of the matter, it was imperative for the Member who had major concerns with the functioning of the Appellate Body to express its views on various proposals tabled and engage substantively in finding a solution.

4.125. Without going into the specifics of the eleven proposals on the table, India wished to underline one interesting point. The interaction or the dialogue mechanism between the DSB and the Appellate Body members had been suggested in almost all the proposals – originally proposed in WT/GC/W/752 which it had co-sponsored seemed to be gaining traction. It would however require an elaborate mechanism to operationalise keeping the independence of the Appellate Body and avoiding any undue pressure on its members.

4.126. India again called on all Members to try to converge on a solution and to respect their treaty obligations under Articles 17.1 and 17.2 of the DSU for maintaining a standing Appellate Body and filling up its vacancies as they arose. It would be insincere and hypocritical on their part to use the pretext of the Appellate Body's digression from the mandate of the DSU to justify their own wilful non-compliance with the same.

4.127. The representative of Egypt welcomed all the proposals and ideas put forward by many WTO Members in order to find a way out of the current impasse and for the continued effective functioning of the dispute settlement system including the Appellate Body within the interest of developing countries. The dispute settlement system was what made the rules enforceable for all Members especially for those that had no other means of enforcing the rules for defending their interest. It was therefore vital to continue the Informal Process – the success or failure of which would depend on the constructive participation of all Members in those discussions especially those Members who had previously expressed deep concerns about the functioning of the Appellate Body.

4.128. Based on current proposals, there was also an issue on how any agreement on reforms related to the Appellate Body issues should be implemented. For example and for the sake of greater clarity, some Members envisaged amending the DSU while others envisaged a General Council Decision. Both options were available. It could however be preferable to implement any reform to the extent possible by a GC decision rather than an amendment given the latter's complexity. Members should also bear in mind the crucial importance of the time element as they continued with the Informal Process.

4.129. The representative of China agreed in principle with the Facilitator's Report on the progress of the consultations. With a view to breaking the selection deadlock expeditiously, China would continue supporting the Chair and the Facilitator by closely working with other Members and pragmatically participating in the future consultations with flexibility. China welcomed the new proposals by Brazil, Chinese Taipei, Japan and Thailand – further illustrating Members' sincere efforts to accommodate the US concerns. Eleven proposals had been tabled so far and discussed by Members which had already captured the whole range of issues raised by the United States.

4.130. The ball was currently in the US court. China expected the United States to respect Members' collective effort and to meet them halfway by constructively engaging in the consultations. That should include meaningful engagement in discussions of proposals, making specific comments on proposed elements or tabling its counter proposals.

4.131. A well-functioning Appellate Body was the cornerstone of the WTO dispute settlement system – the paralysis of which would result in unintended consequences. One of the most direct results was the de facto forfeiture of a Member's right to appeal. The dispute settlement system would move from a rules-based system to a more power based one. Such a devastating impact could moreover go beyond dispute settlement. The ongoing reform including the negotiations would inevitably take the bite and even lose its negotiating momentum.

4.132. To break the selection deadlock, time was of the essence. To further enhance the consultation's efficiency, Members could consider establishing a consultative framework sooner than later which may include making a clear roadmap or timetable consolidating various proposals into one single negotiating document.

4.133. The representative of Chad, on behalf of the LDCs, said that the LDCs were pursuing a review of the proposals which had been put forward, including the recent ones, and thanked Members for

those proposals which would form part of their internal discussions. The LDCs called upon Members to resolve as soon as possible the current impasse. Whatever solution Members would find should ensure that there was no calling into question the balance between the rights and obligations of Members nor should it call into question the independence of the Appellate Body.

4.134. As the LDCs had said at the previous General Council meeting, although the LDCs were not the main users of the dispute settlement mechanism, it was an essential pillar of the institution. It ensured the functioning of the rules-based multilateral trading system. Technical changes put forward by Members should not represent additional burden. They should help Members move out of the impasse. When resolving that impasse, the proposals under negotiations for many decades should also be taken into account within the DSU review.

4.135. The representative of Malaysia said that the Informal Process had been a good avenue for Members to openly discuss the systemic challenges they faced with eleven submissions demonstrating the seriousness of Members in resolving the current issue at hand. Malaysia welcomed the current engagement by Members in finding the best way forward to resolve the issues pertaining to the dispute settlement mechanism. Malaysia appreciated the recent submissions by Japan, Australia and Chile in WT/GC/W/768/Rev.1 and by Thailand in WT/GC/W/769 – which were currently being assessed by it. While Members had been constructive in providing suggested solutions, it was important that the engagement be inclusive and transparent especially with those Members having specific concerns.

4.136. With only less than seven months away, it was crucial for the Appellate Body vacancies to be filled as soon as possible and for the selection process to commence while the discussions on the prevailing issues were progressing. Members should be mindful that the failure to resolve the impasse of the Appellate Body selection process could lead to the paralysis of the system which would in turn undermine the credibility of the multilateral trading system. As such, Malaysia encouraged all Members to be flexible and resolve the issues with an open mind.

4.137. The representative of Peru expressed his delegation's support for the Informal Process and noted its readiness to continue participating in a constructive way in those discussions. Peru considered trade to be a driver of economic development and supported the prevailing multilateral trade framework. The Appellate Body, as part of the dispute settlement system, was a mainstay for ensuring the system's proper functioning and stable trade relations among Members. Ambassador Walker's report illustrated that Members could have different viewpoints on the functioning of the Appellate Body. In parallel, the sheer quantity of proposals submitted showed that the current situation required urgent and broad attention.

4.138. Peru had already submitted specific comments on the proposals made and had met with some of their proponents to exchange views. Peru was grateful for the responses it had received. Although Peru continued to assess in its capital some of the proposals made at the meeting, it expressed its support for all the efforts aimed at finding a solution to the situation faced by the Appellate Body as soon as possible. Peru was open to working constructively to allay Members' concerns on the functioning of the Appellate Body. Peru encouraged Members to redouble their efforts to reach agreement to overcome the current impasse without linking the process to progress in discussions on other issues.

4.139. The representative of Indonesia continued to raise concern over the chronic impasse of the selection process of Appellate Body members. Indonesia therefore highly appreciated Ambassador Walker's leadership in the Informal Process and thanked him for his report in that regard. The discussion in the Informal Process seemed to have a landing zone to improve the functionality of the Appellate Body. Indonesia however regretted that the process did not provide clarity on a way forward to prevent the dysfunction of the dispute settlement mechanism if Members failed to appoint new Appellate Body members before the end of the year.

4.140. The draft GC decisions proposed, as had been mentioned that day, would not automatically break the impasse even though they had potentially offered possible solutions to improve the functioning of the Appellate Body. Indonesia warned against being in a situation where despite consensually agreeing on methods to improve the functioning of the Appellate Body, Members would still remain unable to appoint new Appellate Body members.

4.141. The Informal Process was in need of a roadmap on which one single acceptable document could become their working document. Such an agreement should however be in parallel with the unblocking of the impasse. Only with such understanding could a just process be achieved. In that regard, Indonesia reiterated its position to willingly discuss the proposals with the pretext that it would run in parallel with the Appellate Body selection process and called on all Members to demonstrate their political will and good faith to resolve that urgent issue.

4.142. The representative of Viet Nam intervened on items 4, 6 and 7 and reiterated its full support to the rules-based, free, open, fair, transparent and inclusive multilateral trading system as embodied in the WTO which had set the conditions favourable for increasing trade, attracting investment and improving efficiency for all of its Members. In that spirit, Viet Nam committed to work together with other Members to improve the functioning of the WTO including its negotiating, monitoring and dispute settlement functions. Viet Nam shared the same sense of urgency as had been expressed by many Members on filling the vacancies in the Appellate Body so that it could continue to work after the end of the year.

4.143. Viet Nam continued to support the Informal Process and to contribute actively in the discussions and thanked Ambassador Walker for his efforts in facilitating such process to break the current AB impasse. It was delighted to see encouraging progress in that front. Viet Nam also thanked other Members for their contributions and proposals including the recent ones. Given the need to maintain the Appellate Body to preserve the whole system's effective operation and credibility, the current discussions deserved the foremost and complete attention of the Membership. Discussions on other issues related to improving the functioning of the WTO could only be prioritised once the important and urgent AB issues were adequately addressed. A more effective approach to considering new issues for WTO enhancement was needed. An issue which was crosscutting in the WTO architecture affecting a vast number of Members should be discussed within a comprehensive package rather than in isolation. Viet Nam called on all Members to fully engage so that their collective efforts could mobilise consensus and achieve concrete results.

4.144. The representative of the Plurinational State of Bolivia thanked the proponents for their concrete efforts to identify solutions to the problems on the way the Appellate Body functioned. Bolivia could agree to a proposal based on the guidelines to avoid having to open negotiations on the substance of the rules relating to the WTO's dispute settlement system. Bolivia considered it a priority to ensure the continuity of the system and was open to proposals along those lines. Bolivia again stressed that the Appellate Body, and the system in general, should be based on the principles of independence and legal certainty.

4.145. Members should reflect on how the solution they were called upon to devise to address the situation they currently faced would become a cornerstone of their efforts to strengthen the multilateral trading pact based on a binding, rules-based system accountable to a recognized jurisdiction and protected by all. The timelines for issuing reports, the value of precedence or lack thereof in decisions and the reform of the Appellate Body were all topics for discussion as had been illustrated in the eleven proposals currently tabled. It could be useful, given the urgency of the situation, to draw up a table or document containing all the proposals so that they could be considered and consolidated into a single document that could serve as the basis for consensus. It was imperative for all Members to comment on those proposals with a view to identifying a solution as soon as possible.

4.146. The representative of Turkey joined the Chair and other colleagues in their message regarding the horrific terrorist attacks in New Zealand and Sri Lanka and expressed his delegation's sincere condolences to the people of both countries.

4.147. The good functioning of the dispute settlement system was critical for the WTO and its Members. As a strong supporter of the rules-based multilateral system and in the face of all the discussions regarding improving the effectiveness of the organization, Turkey reiterated the urgent need to solve the Appellate Body crisis.

4.148. Concerning the functioning of the DSB, there had been several proposals tabled in front of Members and Turkey thanked the proponents for their efforts. Turkey however expressed its general frustration over the lack of indication of a tangible outcome no matter how much they continued their discussions.

4.149. Turkey highly appreciated Ambassador Walker's efforts. The Informal Process continued to produce valuable work. The issues were clear and significant progress had been made on some of them. As others had suggested, the Membership had shown that it could get together around certain common denominators concerning the improvement of the implementation of existing rules. That in itself would be considered significant success if it had happened at any other given time – all the more significant considering the current environment surrounded by trade tensions. That conversation should proceed for progress to be achieved. Turkey called on all Members to facilitate that and would continue to contribute to the substance of those discussions in good faith and with a cooperative spirit.

4.150. The representative of Honduras noted some possible points of convergence that were emerging among those different proposals. It was on that basis that it believed that a text-based discussion should be considered as a next step. Honduras supported the Chair and the Members in seeking a solution as soon as possible.

4.151. The representative of United States said he wished to reiterate what he had said at last December's General Council meeting - if Members said that they supported a rules-based trading system, then the Appellate Body should follow the rules they had all agreed to.

4.152. Consequently, the Appellate Body should circulate its reports within 90 days of an appeal; a person who had ceased to be an Appellate Body member could not continue deciding appeals as if his term had been extended by the Dispute Settlement Body; the Appellate Body could not make findings on issues of fact, including but not limited to those relating to domestic law; the Appellate Body could not give advisory opinions on issues that would not assist the DSB in making a recommendation to bring a WTO-inconsistent measure into compliance with WTO rules; the Appellate Body could not assert that its reports served as precedent or provide authoritative interpretations; and the Appellate Body could not change Members' substantive rights or obligations as set out in the text of the WTO Agreements.

4.153. The United States had been making many of those points not just for 16 days, or 16 months, but for 16 years across multiple administrations. In short, no country had been more constructively and consistently engaged on those substantive issues than the United States.

4.154. The United States appreciated that certain Members were then, in recent weeks, beginning to engage on the substantive issues raised by recognising that the DSU did provide for rules, and those rules had been broken with impunity by the Appellate Body. On the other hand, it was striking that a few Members appeared to be taking the view that the DSU did not provide for those rules. They would not acknowledge that the Appellate Body had been acting contrary to the unambiguous text of the DSU. The United States would like to understand how it was that Members could supposedly understand the same clear words in such disparate ways.

4.155. As the United States had previously explained, it was vital that Members understood how it was that they had come to that point where the Appellate Body, a body established by Members to serve the Members, was disregarding the clear rules that had been set by those same Members.

4.156. In other words, Members needed to engage in a deeper discussion of why the Appellate Body had felt free to depart from what Members had agreed to. Equally important was the need to understand why the Membership itself had been so reluctant over the course of so many years to take corrective action in response to Appellate Body rule-breaking.

4.157. Members should first have those understandings in order to determine how they could find appropriate and effective solutions to prevent that from happening in the future. Without those understandings, there was no reason to believe that simply adopting new or additional language, in whatever form, would be effective in addressing the concerns that the United States and other Members had raised.

4.158. The United States had made its views on those issues very clear: the United States would not negotiate a weakening of the rules or a further lack of accountability for the Appellate Body.

4.159. The Chair said that Members had had another interesting discussion. She thanked again Ambassador Walker for his work and all delegations that had put forward concrete proposals, suggestions and ideas to advance that conversation.

4.160. She recalled once more that the primary objective of the Informal Process was to find possible solutions to address a very difficult situation. She fully shared Ambassador Walker's view that they needed to continue exploring possible compromise solutions ahead of the next General Council meeting in July. She appealed once again to all delegations to engage in that conversation.

4.161. The General Council took note of the Chair's statement, of the report of the Facilitator and of the other statements.

5 EUROPEAN UNION – SAFEGUARD MEASURES ON INDICA RICE FROM CAMBODIA – REQUEST FROM CAMBODIA

5.1. The Chair recalled that on 17 April, the delegation of Cambodia had requested the Secretariat for the item be included in the agenda of the meeting.

5.2. The representative of Cambodia noted that the European Union was Cambodia's largest trading partner, accounting for 45% of Cambodian export in 2018 under the EU EBA scheme which provided special treatment for LDCs by granting DFQF market access for all products except arms. Indica Rice from Cambodia had previously benefited from duty-free access to EU markets under the scheme. Cambodia expressed its appreciation to the EU for such special preferential treatment.

5.3. Cambodia was however disappointed that on 16 January 2019, the EU had adopted Regulation 2019-67 through which it had withdrawn the duty-free treatment from Indica Rice originating in Cambodia by imposing the duty of 175 EUR in Year 1, 150 EUR in Year 2 and 125 EUR in Year 3. Cambodia noted that the preferential duty-free treatment was unilateral and the EU decision to withdraw that treatment should be discussed bilaterally.

5.4. In that regard, Cambodia had used every effort to negotiate with the EU from the date of the commencement of the investigation at issue in February 2018. Recently, Cambodia had conducted several bilateral meetings in Brussels, in its capital and in Geneva. Cambodia had also conducted several bilateral meetings at expert and Ambassador levels. On 26 March 2019, Cambodia had met with H.E. Marc Vanheukelen, Permanent Representative of the EU to the WTO, to discuss the matter. Cambodia's Minister of Commerce, H.E. Pan Sorasak, on behalf of the Royal Government of Cambodia had moreover written two letters – one to H.E. Cecilia Malmström, European Commissioner for Trade; and the other one to the Deputy Head of the Directorate of Trade Defence of the European Commission – to explain its concern and to seek the withdrawal of the duty. It was however highly uncertain whether the matter could be resolved through bilateral negotiation and discussion.

5.5. The Royal Government of Cambodia had then instructed the Permanent Mission of Cambodia to the WTO to address the issue at relevant meetings. In that regard, after consulting with the WTO Secretariat and some Members, Cambodia had raised the issue at the CTD on 5 April and at the CTG on 11 April. Cambodia thanked Members for their support at those meetings including at the current General Council session. The purpose of raising the issue at the General Council was not to blame or criticise the EU, but to explain its concern and to show the negative impact of the recent withdrawal.

5.6. After receiving instructions, Cambodia had found that the imposition followed a determination in the EU domestic safeguard proceeding. To impose the measure, the EU needed a qualified majority vote – but only thirteen members had supported it, seven had abstained and eight had not agreed to the imposition. Cambodia thanked the Czech Republic, Denmark, Estonia, Finland, Luxembourg, the Netherlands, Sweden and the United Kingdom for their kind understanding – and Austria, Croatia, Germany, Lithuania, Latvia, Malta and Slovenia for being neutral.

5.7. Cambodia had moreover found that the reason for the imposition was the ostensible surge of imports of Indica Rice from Cambodia in the EU market which had supposedly caused injury to the EU domestic industry. In that regard, Cambodia and some Members believed that its impact on the EU farmers was much less than that on the Cambodian ones.

5.8. Under the WTO, Cambodia considered that the duty at issue had not met the definition of a WTO safeguard measure under the GATT 1994 and the Safeguards Agreement. Furthermore, the duty of 175 EUR per tonne was very high – equal to the EU bound and applied rate for Indica Rice. The duty was inconsistent with the MFN obligation under Article I:1 of the GATT 1994 and the GATT 1979 Decision on Differential and More Favourable Treatment, Reciprocity and Full Participation of Developing Countries. In particular, contrary to footnote 3 paragraph 2(a) of the Enabling Clause, the preferential duty-free treatment for Indica Rice under the EBA scheme was applied in a discriminatory manner. It appeared that the EU withdrawal of the duty-free access to Indica Rice from Cambodia undermined the fundamental requirement of the Enabling Clause that was in favour of developing and LDC Members and which should not constitute a means of discrimination.

5.9. The EU safeguard rule set out in Articles 22 to 28 of EU Regulation 978/2012 of 25 October 2012 and EU Regulation 1083/2017 of 28 August 2017 were likewise inconsistent as such with Article I:1 of the GATT 1994 and paragraphs 2 and 3 of the Enabling Clause for specifically allowing the EU to accord discriminatory treatment to like products originating in developing countries including LDCs.

5.10. Given the excellent relation and long-lasting cooperation between Cambodia and the EU, instead of resorting to legal action under the WTO's dispute settlement mechanism, at the moment, Cambodia was seeking a satisfactory solution with the EU by addressing its concern through the diplomatic channel in the spirit of friendly cooperation.

5.11. Through the diplomatic channel and the current high level meeting, Cambodia drew Members' attention to the following: First, the EU decision seemed to completely defeat the overall objective of the EU GSP Programme which was to promote the economic development of developing countries in particular LDCs and to facilitate their integration to international trade. Second, the EU decision also created a significant barrier to Cambodia's rice exports which had been declining in the EU market after the imposition. The EU had placed Cambodia's rice exports at a competitive disadvantage which impacted their revenue. It was contrary to the policy of encouraging Cambodia to graduate and achieve the 2030 Sustainable Development Goals. Third, the EU decision had seriously threatened Cambodia's poor farmers due to the fact that it had eliminated their only source of income. It was consequently harming their families who lived in debt and financial hardships.

5.12. In short, the decision had affected the majority of poor people in Cambodia – an LDC. On behalf of the Royal Government of Cambodia, the Cambodian delegation urged the EU to reconsider its imposition and to withdraw the duty on Cambodia's Indica Rice to enable it as an LDC to continue benefiting from the EU EBA Scheme for its economic growth, poverty reduction and integration into the multilateral trading system.

5.13. The representative of European Union stressed that it was a bilateral issue and pointed out that the EU had adopted the safeguard in question in the framework of its Generalised System of Preferences. The measure should thus not be confused with WTO safeguards. There was no discrimination and no incompatibility with WTO rules.

5.14. The EU was fully aware of the economic importance of rice exports for Cambodia. Cambodia had benefitted from the Everything But Arms scheme, the EU's special arrangement for LDCs under the GSP which unilaterally granted duty-free quota-free access to LDCs for all products except arms, including rice.

5.15. Cambodia had currently filed an application for annulment of the measures with the EU General Court. The EU therefore was not in a position to make any further comments.

5.16. The representative of Thailand, on behalf of the ASEAN, said that LDCs faced challenges and capacity constraints in accessing international markets and hence needed policy flexibility, including trade preferences, to benefit from trade liberalization and global trade.

5.17. ASEAN encouraged Members to take into account the challenges and difficulties of LDCs prior to taking any measures to withdraw an existing trade preferential scheme and encouraged relevant Members to consider the concerns and request of Cambodia accordingly.

5.18. The representative of Chad, on behalf of the LDCs, noted that the LDCs fully supported the efforts made by all Members to ensure that LDCs could fully benefit from the decisions taken previously during Ministerial Conferences in the context of WTO Agreements – which included S&DT that enabled them to export, ensure economic growth, reduce poverty and be integrated into the multilateral trading system.

5.19. The LDCs were facing particular challenges in having access to international markets. In order to help resolve that and address the challenges that they faced, LDCs needed preferential treatment from individual Members in the context of the WTO Agreements and the GATT Enabling Clause in order to foster trade of developing countries including LDCs and not to meet obstacles that had undue effects on trade.

5.20. The LDC Group encouraged Members to adopt a constructive and pragmatic approach in order to maintain and continue to grant preferential treatment to LDCs. Any measure or imposition of duties on groups from LDCs would compromise the global goal of preferential treatment and therefore would be an obstacle to their growth and development.

5.21. Accordingly, the LDC Group encouraged the European Union to consider withdrawing those duties on Indica Rice from Cambodia in order to continue with the policies in place to help Cambodia graduate from its status and to achieve the SDGs.

5.22. The LDC Group thanked Members for the preferential treatment accorded to LDCs and encouraged them to examine the consequences of a potential negative impact on LDCs prior to taking any decision to withdraw preferential treatment which the LDCs benefited from.

5.23. The representative of Myanmar associated his delegation with the statements made by the LDC Group and the ASEAN. S&DT and development were integral parts of the WTO framework. Myanmar fully supported the ongoing efforts of Members to ensure that developing Members especially the LDCs could successfully benefit from it – to integrate into global trade and to fulfil the needs of their economic development.

5.24. Developing Members, particularly the LDCs, faced challenges and capacity constraints in strengthening their trade capacity. They required legal flexibility including trade preferences to benefit from trade liberalization, to overcome structural and economic transformation and to carry out trade integration in ways that supported sustainable and inclusive economic growth. Any measure taken to developing Members especially LDCs should therefore take into account their challenges and particular needs to promote their trade growth and development and to meet the overall objective of SDG 2030.

5.25. The representative of Yemen associated with the statement made by the LDC Group. In the spirit of Members' support for LDCs' development and global integration, Yemen reemphasised the call to reconsidering the unfortunate situation that Cambodia as an LDC had found itself in. Yemen, along with others who had spoken before it, therefore looked forward to see the matter resolved as soon as possible.

5.26. The representative of Afghanistan said that the LDCs should be able to benefit from preferential treatment offered by Members to facilitate the integration of LDC economies into the multilateral trading system and to maximise their benefits from international trade. Afghanistan therefore thanked all Members for providing preferential treatment to LDCs – which it requested to be maintained and to continue to be provided to them.

5.27. Afghanistan supported the LDC Group's statement and encouraged the EU to consider withdrawing the imposition of import duties on Indica Rice originating from Cambodia.

5.28. The representative of China had listened carefully to the statements made by Cambodia and Myanmar expressing their concerns on the EU's increased tariff on imports of Indica Rice from Cambodia and Myanmar. Although it did not exceed the relevant bound level of tariff in the EU's schedules of concession, such a withdrawal of preferential tariff treatment would seriously hurt the vulnerable LDCs.

5.29. China appreciated the EU's effort in reducing the tariffs on a considerable range of products from LDCs in its EBA scheme. However, the measures to be taken to withdraw such preference and potential negative impacts on relevant LDCs should be well taken into account.

5.30. For example, Indica Rice was the most important agriculture product export of Cambodia. Withdrawal of the preference and the EBA to Cambodia and Myanmar could disrupt the normal trade on Indica Rice. Besides, a large number of small scale rice farmers who were making a living on Indica Rice exports would also be seriously affected – as Indica Rice was such a critical product that affected not only trade but also the national economy and people's livelihood in LDCs like Cambodia and Myanmar.

5.31. China hoped that the EU would reconsider the measure at matter on Indica Rice. Besides, WTO Rules should be observed.

5.32. The representative of Benin associated with the statement made by the LDC Group. Given the importance of the rice sector in Cambodia in combatting poverty and ensuring food security, rural development and full involvement of women in the country, Benin urged the EU to reconsider the measures that it was applying on Indica Rice imports from Cambodia. Benin recommended that negotiated bilateral solutions be sought and that the current status of the LDCs which Cambodia enjoyed be given priority and preferential treatment associated with that.

5.33. The General Council took note of the statements.

6 PROCEDURES TO STRENGTHEN THE NEGOTIATING FUNCTION OF THE WTO – COMMUNICATIONS FROM THE UNITED STATES (WT/GC/W/757/REV.1 AND WT/GC/W/764)

6.1. The Chair recalled that Members had had a discussion on that item at their February meeting, and the delegation of the United States on 24 April had requested that the item be again included in the current agenda together with the two communications circulated in documents WT/GC/W/757/Rev.1 and WT/GC/W/764.

6.2. The representative of the United States was pleased to continue the discussion of that important reform initiative. As the Membership was aware, the United States in January had submitted a detailed paper on differentiation at the WTO. On that factual and analytic basis, the United States in February had submitted to the General Council a proposal to resolve the differentiation problem through a pragmatic approach that recognized the complexity of the issue.

6.3. The US proposal established objective criteria for determining whether a WTO Member could continue to avail itself of "special and differential treatment" in current and future WTO negotiations. The four criteria were: a WTO Member that was a Member of the OECD, or a WTO Member that had begun the accession process to the OECD; a WTO Member that was a member of the G20; a WTO Member that was designated as a "high income" country by the World Bank; or a WTO Member that accounted for no less than 0.5 per cent of global merchandise trade.

6.4. At the February meeting of the General Council, the United States had been encouraged by the generally constructive response from the Membership. Most of the speakers had acknowledged the problem and the need to reform, and they had expressed their willingness to engage further on that important topic. That was how a good conversation began.

6.5. During the last 10 weeks, the United States had begun to broaden and deepen that conversation with Members not just in Geneva but also in capitals and in Washington. The United States recognized that some capitals were not yet familiar with the issue and with the US proposal to resolve it.

6.6. The US proposal was already gaining important support. In March, President Bolsonaro, during his visit with President Trump in Washington, had committed Brazil to forego special and different treatment in WTO negotiations in line with the US proposal. The United States applauded Brazil for its leadership and for its shared commitment to the viability of the WTO's negotiating arm.

6.7. The discussions that the United States were having with Members in capitals and in Washington were constructive, sincere and candid – and they would continue.

6.8. The United States was committed to that effort because the differentiation problem should be resolved if the WTO was to remain a relevant and viable negotiating forum. The United States could not pretend that the problem did not exist nor could it wish it away by embracing empty affirmations of shared principles or gauzy calls for drawing inspiration from the past. On the issue of differentiation, the WTO was mired in the past – not inspired by it. The WTO needed reform – not sentimentality.

6.9. The United States then said it wished to respond to some of the comments and questions that it had heard from Members regarding its proposal.

6.10. First, a few Members had told the United States that it would be impossible for them to change their declarations of developing country status. The United States clarified that the US proposal did not require any Member to change its declaration of its development status.

6.11. Second, some had been peddling the view that under the US proposal S&DT would not be guaranteed for any Member, including LDCs. The claim appeared intended to persuade LDCs and other Members that the United States meant to deprive the poorest Members among them of S&DT. The United States stressed that the claim was inaccurate.

6.12. The United States reiterated its longstanding view that S&DT should be available to Members having difficulty integrating into the global trading system. The US proposal would ensure that, in current and future WTO negotiations, S&DT would be available only for those Members having such difficulty.

6.13. In addition, the proposal applied to current and future WTO negotiations and not to existing WTO Agreements and their S&DT provisions. To be clear, if a Member had the right to utilise an S&DT provision in an existing WTO Agreement, that right would not be affected by the US proposal.

6.14. Concerning the last sentence of the US proposal, it stated that, with respect to sector-specific negotiations, the draft Decision did not preclude Members from reaching agreement that other Members in addition to those captured in the four categories could also be ineligible for special and differential treatment.

6.15. The sentence recognized the possibility that other Members could be significant players in a specific sector. In a negotiation specific to that sector, it probably would be impossible to reach agreement on obligations that would apply to some significant players in that sector but not others.

6.16. It would also be difficult to argue that a significant player in that sector needed special and differential treatment in that sector. If the significant players in a negotiation had no ambition, negotiating was fruitless.

6.17. Hypothetically speaking, in a sector-specific negotiation, if there were four significant players in the sector and two of them sought S&DT that would shield them from obligations that would apply to the other two significant players, agreement would be impossible. No Member would take on a sector-specific obligation that would not apply to its competitors.

6.18. Third, a few Members had opined that the US proposal was focused on just one Member. That was inaccurate since its concerns went far beyond just one Member. There were a large number of relatively wealthy, advanced and/or influential economies who would seek to avail themselves of S&DT in current and future WTO negotiations. A broad-based solution was required.

6.19. Finally, the United States had heard a few Members suggest that the US proposal was "polarising". They seemed to believe that was regrettable and a sign that they were on the wrong path. The United States thought just the opposite. The US proposal sought to address a problem that was hurting all Members especially the poorest among them. Trade agreements that could open new opportunities for less developed Members and deepen their integration into the global trading system did not materialise because a good portion of the wealthier or more advanced economies

would not make trade liberalising commitments that were commensurate with their status in the trading system.

6.20. To address the problem, they should ask those Members to forego such unjustified treatment in current and future negotiations. That was bound to cause some discomfort. It became easy for some among them to brand such requests as "polarising". But if they avoided that discomfort and those difficult conversations, the organization would be left on a path toward irrelevance.

6.21. The United States looked forward to continuing to engage with Members on that reform proposal.

6.22. The representative of Paraguay, on behalf of Argentina, Brazil, Colombia, Chile, Mexico, Peru, Uruguay and Paraguay, reiterated their position as stated at the previous General Council, that development was a multidimensional concept as set forth in the WTO Agreements. Recognition of the centrality of development should point to the various forms of implementation offered by the multilateral trading system to facilitate trade as a real engine of inclusive economic growth.

6.23. They considered S&DT as one of the essential tools that developing countries could use to achieve better and faster integration into the multilateral trading system.

6.24. They called on the Members to reflect on dealing with the development discourse with a focus that would enable implementation of S&DT in a pragmatic manner, according to the needs of each Member, in negotiations on new areas. The countries that subscribed to that statement supported consensual solutions that resulted in balanced rights and obligations, and that ensured that all Members benefited from free trade in goods and services.

6.25. The representative of Chad, on behalf of the LDCs, took note of the responses given by the United States at the last meeting of the General Council and welcomed the announcements made regarding flexibilities mentioned by the United States. The LDC Group, however, expressed concern as the subjects of negotiation had been suggested under development and not within the CTD SS nor the TNC bearing in mind Paragraph 44 of the Doha Declaration.

6.26. Furthermore, the LDCs had serious concerns regarding those who were about to graduate from LDC status, because of the problems which could hit LDCs that moved towards development status. Members should be engaged in a constructive fashion in the negotiations, including affording different levels of flexibility for developing and LDC Members on Agriculture and NAMA.

6.27. The right of developing countries and LDCs to gain access to relevant provisions on S&DT, such as those included in the WTO Agreements, had been negotiated during the Uruguay Round and before that, on Part VI of the GATT. The foundation of the organization relied on the necessary flexibilities at all levels of development – even those that developed Members had benefited from. S&DT had also been enshrined in the Marrakesh Agreement to be part and parcel of all WTO Agreements.

6.28. It was up to the Members to declare themselves as developing countries and to determine their needs and the way they resorted to such provisions. Within the GATT and the Uruguay Round, the development status had been intentionally not defined. Conversely, Members continued to have a working method to take into account the capacity constraints and other challenges they had.

6.29. The representative of South Africa noted the United States' resubmission of its previous proposals and did not believe that the General Council was the right forum to conduct that kind of debate. South Africa once again called on all Members to respect multilateral mandates by ensuring that debates on development and S&DT did not undermine mandated negotiations. Paragraph 44 of the Doha Ministerial Declaration provided a clear mandate – the CTD SS was the only mandated body for discussions of that kind. South Africa found it highly disturbing that certain Members would object to mandated negotiations in the CTD SS only to raise the very same issues in the General Council – a body which had no mandate in that respect.

6.30. South Africa emphasised key points that it had been making on a consistent basis. S&DT in conjunction with the implementation issues remained key to unlocking the development component of the Doha Development Round and had been identified as a priority in that context. Yet that day,

more than ever, that mandate was being questioned. Turning to the issue at hand, Mr. Robert B. Zoellick, then the President of the World Bank, in an address delivered on 14 April 2010 at the Woodrow Wilson Centre for International Scholars, famously proclaimed the following: "If 1989 saw the end of the 'Second World' with Communism's demise, then 2009 saw the end of what was known as the 'Third World'..." Much like Francis Fukuyama's false herald of the "end of history", Mr. Zoellick's premature obituary to the "third world" suffered from the same defect.

6.31. Very early on in the GATT era, Contracting Parties had taken steps to accommodate specific concerns of developing countries prevailing at that time in order to better meet their development needs and objectives. During that time, developing countries had sought to emphasise the uniqueness of their development problems and challenges and had called for treatment that would be different and more favourable than had been provided in the GATT 1947. Indeed, it had made sense to allow developing countries not to liberalise their own trade and to be granted preferential access to developed country markets. That had been no different from exemptions accorded to developed countries from general trade rules often times to the detriment of developing countries.

6.32. In many areas where WTO rules applied, one could detect reverse S&DT in favour of developed countries. There was no rationale or justification for the egregious and deleterious consequences that such flexibilities had had for developing countries in areas where they had comparative advantages. In so far as the issue of S&DT under the WTO Agreements was concerned, serious questions had been posed whether developed countries had lived up to the spirit of commitments identified in WTO Agreements. The preamble of the Agreement establishing the WTO called for "the need for positive efforts to ensure that developing and least developed countries secure a share in the growth in international trade commensurate with the needs of their economic development". For over two decades, the pledge to reform agricultural trade had fallen on deaf ears. Market access for developing countries was still undermined by application of unclear and non-transparent tariff protection, tariff escalation, high domestic support and stringent SPS measures.

6.33. The effects of such measures were clearly present under the Agreement on Agriculture. Many developed countries had been given special treatment through large bound Aggregate Measures of Supports, more affectionately known as "trade-distorting domestic supports" while developing countries had bound their AMS to zero. The result was that they could at present only provide AMS supports limited by their 'de minimis' supports. That had not been a voluntary choice on the side of developing countries since at that time they had not provided that kind of support and had been otherwise constrained by structural adjustment conditions. Clearly, a lack of capacity had been a main driver of that kind of outcome yet they were then asked to make the same kind of commitment in fisheries subsidies negotiations where capping proposals bore an uncanny resemblance to de minimis outcomes under domestic support. Such an outcome would tend to lock in the level of subsidies that big subsidisers provided even if certain cuts were undertaken while most developing countries were locked into an absolute ceiling with no flexibility to sustainably increase their subsidies over time in order to address their development needs. Such an outcome would be manifestly anti-development and unfair.

6.34. South Africa emphasised the importance of the principle of self-selection which in itself was an expression of the principle of sovereignty. More than two thirds of the WTO Members were developing countries. There was no agreed definition of what was to be considered a "developed" or a "developing" Member. It was the right of every Member to decide which category was most appropriate for itself and not for any other Member to impose criteria for graduation.

6.35. The representative of [Brazil](#) noted that development had been at the centre of discussions at the WTO in the past months. That was its rightful place as development was one of the main objectives of the multilateral trading system. Although perspectives varied on how to translate development objectives into solution-oriented approaches, no delegation had ever questioned the centrality of development to the WTO in the comprehensive and detailed debates on the matter. That was encouraging and it should support Members' efforts to have meaningful development-related deliverables at the next Ministerial Conference.

6.36. On S&DT, Brazil recalled that flexibilities had been the outcome of extensive negotiations in the past and should not be revisited. The record of such provisions also showed that they had varied according to the agreements and to the level of development of groups of countries, including examples such as in the Agreement on Safeguards – exemptions for developing countries from safeguards applied depending on the level of their exports; in the Agreement on Agriculture – higher

percentage of domestic support; in the TRIPS and other agreements – longer timeframes for implementation of commitments and in the TFA – developing countries had been able to associate compliance with deadlines to the provision of technical assistance. Furthermore, any discussion on development and on S&DT should take into consideration the special needs of the LDCs.

6.37. As exemplified, S&DT was a dynamic tool that had evolved and that had taken many forms. Against that background, on March 19, in the context of a recent bilateral visit to Washington, President Bolsonaro and President Trump had issued a joint communiqué. In line with Brazil's understanding of S&DT as a concrete and evolving mechanism, the communiqué indicated that Brazil would begin to forego S&DT in WTO negotiations. That understanding expressed at the highest political level would guide Brazil in its participation in their ongoing discussions and negotiations.

6.38. The representative of Japan recalled what it had said at the February General Council meeting regarding the importance of the concern raised by the United States.

6.39. Developing countries made up two thirds of the WTO Membership. It was undeniable that they were far from uniform in terms of their respective development levels. Members should therefore take into consideration the individual situations and needs of developing countries when engaging in the discussion.

6.40. As Japan had stated on various occasions, taking a pragmatic approach would be an effective way forward. A pragmatic approach was one where Members discussed S&DT in each negotiation individually and specifically so that the necessary S&DT would be granted to the Members who genuinely needed such treatment.

6.41. Certain developing Members had recently stated that they would not seek S&DT in ongoing or future negotiations. Japan expected that that would give momentum to Members' development discussion. Japan was ready to engage in that discussion in a constructive manner.

6.42. The representative of the European Union firmly believed that development was a central pillar of the organization. At the same time, the current crude distinction between developed and developing countries no longer reflected the reality of the rapid economic growth in some developing countries. Members should therefore continue to work on S&DT with a view to ensuring that flexibilities were made available to those Members who actually needed them.

6.43. The EU did not contest the right of Members to self-designate themselves as developed or developing countries. Members should however continue to explore options to encourage themselves to undertake full commitments in ongoing and future WTO negotiations.

6.44. If the organization was to prosper, future differentiation should become much more granular in function of an individual Member's demonstrated needs and capacities. Negotiations predicated on a crude distinction between developed, developing and least developed were bound to fail. Future differentiation should be designed in terms of specific individual country needs at the sectoral or activity level rather than calling for a block exemption of a large category of Members. Furthermore, the EU considered that each developing country's need for S&DT should be assessed on a case-by-case and evidence-based basis.

6.45. S&DT should focus on providing more time to implement commitments to those who needed it rather than being exempted from obligations and on providing assistance where it was needed. The emphasis of WTO negotiations should be on trade facilitation and liberalization instead of carve-outs. Flexibilities would still be available but they should respond to each Member's needs. The notable exception should be the LDCs who deserved particular treatment and who in any case had a graduation mechanism.

6.46. The EU was open to discuss and help other Members with the difficulties they faced and already provided considerable development assistance to help developing countries, in particular LDCs, achieve their development objectives.

6.47. There was a strong need to reform S&DT and the EU was open to discuss several proposals. In the end, Members should find a solution that could be supported by all of them. In that respect, the EU was supportive to the initiative taken by Norway to facilitate a discussion among Members

on the development issues – particularly looking for a pragmatic and solution-orientated approach on development and differential treatment focusing on current and future negotiations.

6.48. The representative of China had carefully listened to the explanation of the United States on the re-submission of the US document. China fully understood the importance of S&DT for developing Members, but would not make a substantive comment at the moment because its position had not changed since the last General Council meeting. China's comment would only focus on a procedural issue.

6.49. Having to address the same document already discussed at the previous General Council meeting reminded him of what career choice he had made years ago. He respected his middle school teacher and liked a lot the literature that he had learned that time. For example, Jack London's "Love of Life" and Hemingway's "Old Man and the Sea". He could still remember the lines from them such as "a man can be destroyed but not defeated". Despite his passion for literature, he had not chosen the career of teaching it because he had not wanted to talk about the same text year after year – but he understood that that was what was necessary to build memory.

6.50. As a trade negotiator, what attracted him was that Members constantly faced new challenges in international trade – although it could take time to address some of them. In that process, everyone could have their own views. For example, that China was a developing Member was a position he could not and would not change but he would not take out his speaking notes from the last meeting and re-read it. He believed that Members did not want him to do that. Every time Members discussed, even if their positions remained the same, they needed to come up with new arguments or address the issues from different perspectives. Simply recycling documents and arguments was like having warmed up cabbage served at each dinner. That would soon make Members lose appetite in the discussions.

6.51. Lately, there had been a lot of UK Parliamentary debate on Brexit on television. He very much liked the style and the ways of H.E. John Bercow, the Speaker of the House of Commons of the United Kingdom. He had made an important decision – that the Government could not send the Brexit deal back for a third vote in Parliament immediately unless substantial changes were made to it. It was based on a Parliamentary Rule set in the 17th Century requiring that a motion or amendment which was the same in substance or something already voted on should not be brought forward again in a session for the Parliament. Members should perhaps consider having similar rules to ensure the quality of their discussions.

6.52. The representative of India was disappointed by the resubmission by the United States of its paper presented earlier and the slant of the communications tabled by it in WT/GC/W/757/Rev.1 and WT/GC/W/764 on the sensitive issue of development. Upon taking up the matter of the Appellate Body, the United States had repeated its statement made at the previous General Council meeting and then Members had a repeat of a paper the United States had earlier presented. India asked what was going on and if there was no sign or chance of progress.

6.53. India reiterated its position stated in the previous General Council meeting that S&DT for developing and LDC Members was an unconditional right. S&DT recognized the enormous difference in the levels of development between different Members and allowed developing Members the space to formulate domestic trade policy to reduce poverty, generate employment and integrate meaningfully into the global trading system. Over the past five decades, that had formed the basis for the concept of S&DT and less than full reciprocity under the GATT and the WTO and Members needed to firmly keep that in mind.

6.54. While developing Members had achieved progress in some economic indicators since the inception of the WTO, old gaps were far from being bridged or had even widened while new divides had emerged especially in the digital and technological spheres. In view of the gaping divide between their levels of development, it would be grossly unfair and iniquitous if developing countries had been required to take the same obligations as developed countries. Further, as had been pointed out by UNCTAD, most S&DT provisions in the WTO covered agreements were imprecise, unenforceable and in the form of best endeavour clauses. The assertion that onerous S&DT obligations were making the WTO irrelevant was therefore untenable.

6.55. While Members could declare themselves as developing, the specific rights and obligations were still subject to negotiations. Claiming that WTO rules applied only to a few developed countries was further from the truth. As had been pointed out earlier, there existed several reverse S&DT provisions in the covered agreements providing explicit carveouts to developed Members benefitting them at the expense of developing ones. Those included waiver from some of the key obligations especially in the area of agriculture and textiles, sectors of export interest for LDCs and developing countries for almost forty years.

6.56. It was also incorrect to blame the self-declaration of development status as a reason for the lack of progress in negotiations. In fact, negotiations were stalled in the WTO due to the inability of the developed Members to abide by the agreed negotiating mandates of the WTO round and progress made thereunder.

6.57. In view of the above, India could not agree to the premises of the US papers and also shared the view expressed by South Africa that the General Council was not the right forum for that debate and the mandate of Paragraph 44 of the Doha Ministerial Declaration needed to be respected. India also cautioned that efforts to raise such a divisive issue at a difficult time for the WTO was not only going to be polarising but also put Members at risk of a gigantic train wreck.

6.58. The representative of Australia, intervening on items 6 and 7, said that Australia's longstanding perspective had been that fostering and supporting all Members' participation in global trade as a tool for economic development was a fundamental part of WTO work.

6.59. S&DT could support the integration of developing countries into the multilateral trading system. The global economy in which Members currently operated was however different in many ways to when the organization was founded. A one-size-fits-all approach to S&DT was unlikely to be workable or effective in facilitating full participation in the global trading system.

6.60. S&DT would be more effective if tailored to particular contexts on a needs basis enabling Members to make commitments commensurate with their capacity to do so. It would be important for Members to adopt a creative and solution-oriented approach to their discussions on that important issue especially in the context of current negotiations.

6.61. The representative of Argentina, intervening on items 6 and 7, said that trade and development had been relevant for Argentina throughout the history of the GATT and the WTO. Development was multi-dimensional and Members needed to be creative. There were variables which could be conducive to striking a balance between rights and obligations among a diverse Membership. Argentina therefore underscored on specific agreements and plurilateral approaches could be an example to be taken into account.

6.62. It was equally important to focus on pragmatic, innovative and alternative approaches in each area of negotiation. One size did not therefore fit all. For example, in the current negotiations on fisheries subsidies, some delegations including Australia and the United States had put forward creative proposals beyond traditional aspects which took into account specific areas, main players and challenges. On that basis, future negotiations and other trade areas could also have flexibilities with a view to addressing the rules of the WTO on the one hand and the multilateral trading system as a whole while adequately addressing specific current realities.

6.63. Argentina agreed with some of the aspects in the document presented by Norway in that it was important to look at the outcome of negotiations and the rights and obligations of Members.

6.64. The representative of Pakistan said that development and prosperity for its people were real aims of every country. Every country also had the right to make policies for its own development. The same principle had been recognized and enshrined in WTO rules. The right to S&DT was unconditional and non-negotiable – one which had to be exercised by every country itself as it deemed appropriate.

6.65. There were no changes in the submissions by the United States since the last General Council meeting. Unfortunately, there was likewise no change in Pakistan's position. Pakistan therefore recalled the statement it made on 27 February on the same agenda item and believed that the CTD SS was the most appropriate forum for such discussion.

6.66. The representative of Egypt recalled Egypt's statement on the subject at the February General Council meeting. The focus on categorization of Members was not the way to better serve the WTO's future. Focus should be placed on pragmatic solutions to effectively implement and operationalise S&DT. Members also needed to differentiate between the existing agreements which had clear mandates and the future ones bearing in mind development as a key component of the WTO.

6.67. As Members were aware, there were six identified different categories of S&DT provisions within the existing agreements including fifteen aimed at increasing the trade opportunities of developing country Members. Egypt would like to understand how that approach would help implement Paragraph 44 of the Doha Declaration or would at least enable developing countries to increase their participation in the international trading system. All Members should therefore engage constructively to resolve the current impasse in the CTD SS.

6.68. In new negotiations, Members should consider developing countries' specific needs and challenges. The process of trade liberalization should take place with due respect for national policy objectives and the level of development of individual Members – both overall and in individual sectors. Appropriate flexibility should therefore be given in order to help developing and LDC Members to utilise any future WTO outcome as a catalyst for reform.

6.69. Egypt reaffirmed its commitment to facilitate all the functions of the WTO as enshrined in Article III of the Marrakesh Agreement establishing the World Trade Organization.

6.70. The representative of United States said that it had listened intently to the comment of China and appreciated the desire of China to make sure that agendas were current. The United States said that China could perhaps reflect on its CTD proposals WT/COMTD/W/192 and WT/COMTD/W/208 which had remained unchanged and had been on the CTD agenda for close to a decade – and by China's measures, Members had nine years to go on that one.

6.71. The representative of China noted that its previous comment had focused on the resubmission of the same document the United States had previously submitted. China had listened carefully to the intervention made by the United States. If the United States had submitted the statement it had made that day incorporating some of the responses to the questions and concerns raised by Members, although China could have had a different view on them, the information would be useful and, in that case, China would have had refrained from making its previous comment.

6.72. The representative of the United States appreciated that clarification from China. The United States pointed out that it was its understanding that China had submitted a proposal for more than a decade in the CTD that had remained unchanged since its initial submission. As regards the current agenda item, the United States said that it had heard a number of comments at the General Council meeting in February which it had taken on board. Through its intervention that day, the United States had tried to respond to the comments it had heard and to help clarify its proposal. That was one of the reasons why the United States had re-submitted it to the General Council.

6.73. The representative of South Africa pointed out that China's proposal was mandated whereas the United States' was not.

6.74. The General Council took note of the statements.

7 PURSUING THE DEVELOPMENT DIMENSION IN WTO RULE-MAKING EFFORTS – COMMUNICATION FROM NORWAY, ICELAND, NEW ZEALAND, SINGAPORE AND SWITZERLAND (WT/GC/W/770/REV.2)

7.1. The Chair said that the delegation of Norway had requested the Secretariat to include the item in the agenda of the meeting together with the communication circulated in document WT/GC/W/770. A revision to the submission had been issued to add Iceland; New Zealand; Singapore and Switzerland as co-sponsors. She understood that Canada; Hong Kong, China and Mexico had also joined the list of the co-sponsors and a new revised version would be circulated soon⁷.

⁷ The revised version of the communication was subsequently circulated in WT/GC/W/770/Rev.3.

7.2. The representative of Norway presented the communication in document WT/GC/W/770/Rev.2. He said that the organization faced serious challenges in all three pillars: the dispute settlement system, the follow up of existing agreements and the negotiating pillar. The paper was related to the last pillar and was motivated by deep concern about Members' collective difficulty in achieving multilateral results.

7.3. The paper focused on trade and development including S&DT not because they saw the issue to be the only reason behind Members' difficulties in the negotiating pillar but because the issue was one of the most important and challenging ones that influenced Members' deliberations on most issues under negotiation.

7.4. The issue had represented a challenge for the Membership for a long time. But recent exchanges on the matter had strengthened Norway's view that there was an urgent need to explore alternative approaches. The negotiating track was in danger of deadlock with potentially serious consequences for the rules-based multilateral trading system based in the WTO.

7.5. Unless Members found a way forward, they would not be able to deliver results on any multilateral negotiations. Their aim with the paper was to promote – and hopefully stimulate – an open, pragmatic dialogue on how Members collectively accommodated the development dimension in current and future negotiations. They needed to focus on what commitments Members were ready to take on and how S&DT could be designed to address the development challenges Members were facing in each area under negotiation.

7.6. Development was at the heart of the WTO and S&DT was one of the fundamental principles embedded in WTO Agreements. S&DT was an instrument to enable development through trade, to make trade an "engine for development". At the same time, S&DT was an important element in the common search for a negotiated balance of rights and obligations. Properly designed S&DT should play a constructive role in promoting both the progress of the multilateral trading system and the sustainable development of the developing Members within it.

7.7. The paper highlighted a number of examples on how development concerns had been accommodated in various agreements. Many other examples could have been highlighted including those in the comprehensive compilation produced by the Secretariat in WT/COMTD/W/239.

7.8. The examples demonstrated that S&DT took many forms and covered the entire range of WTO Agreements – from the principle of non-reciprocity in GATT Part IV to the creative and innovative approach agreed to in the Trade Facilitation Agreement. Not all of the examples provided were explicitly labelled S&DT in the agreements but since the legal architecture in those cases allowed for the accommodation of development concerns, those examples were relevant as well.

7.9. The examples were not meant to be exhaustive nor were they blueprints to be copied in the future. They however served as an inspiration and as lessons Members could draw on when negotiating new rules that also accommodated the development dimension.

7.10. While the principle of S&DT was firmly embedded and should not be put into question, there was not one single pre-defined operational S&DT modality that could be applied horizontally to every subject under negotiation. What was practical and possible in one area could not be practical or possible in another one. Members could not predefine the result of a negotiation. It had to be negotiated in a specific context – not in the abstract.

7.11. While working on the paper, the proponents had engaged extensively with other Members and were grateful to those who had engaged with them in a constructive way. Generally, they had found that Members shared their fundamental concerns and wished to search for pathways out of the current situation.

7.12. Some questions and concerns had been raised as well. One recurring question had been whether the proponents argued for a case-by-case approach. Interestingly, Members seemed to have different views about what a case-by-case approach actually entailed.

7.13. Some expressed concern that they could end up being left alone in providing documentation of their needs for S&DT and having to defend their interests in something that resembled a

request/offer process with all other Members. Concerns related to the legal certainty of S&DT provisions had also been raised – whether access to agreed S&DT provisions could be conditional. Norway assured Members that it was not its intention.

7.14. There was nothing in the communication to the General Council that should be interpreted as suggesting that Norway was proposing some kind of request/offer process or that access to agreed provisions should go through some kind of notification and question/answer process of approval. As Norway had already emphasised, the paper underscored the great variety in form and content of S&DT provisions Members had negotiated in the past and that was what Members should foresee for the future as well. S&DT should be crafted and operationalised depending on the area under negotiation.

7.15. The paper did not suggest any fundamental change in the way Members negotiated. Members would continue to be free to create alliances and collaborate with other Members with similar challenges and shared interests and ambitions. No changes to existing agreements were proposed. The fundamental point was that multilateral results could not be pre-defined. Results should be negotiated not in the abstract but in relation to the specific and concrete subject under negotiation.

7.16. The paper expressed doubts about the usefulness of negotiating a set of objective criteria for access to S&DT. LDCs however represented a separate category and there was consensus that the special treatment of LDCs should be maintained. Any other attempt at categorization were not likely to achieve consensus and risked distracting the Membership's energy and attention away from what really mattered.

7.17. What really mattered was what commitments Members were ready to take on and how S&DT could be designed to address the development challenges Members were facing in each area under negotiation. Development concerns had been addressed in many different ways in the past. Norway invited Members to seek inspiration from that experience as they engaged in current and future negotiations. There was a lot at stake.

7.18. The representative of Switzerland had co-sponsored the communication presented by Norway because the discussion that the document called for aimed to take the heat out of the debate in pursuit of realistic and pragmatic solutions. Switzerland then highlighted a number of elements that it felt should guide the discussion.

7.19. It seemed clear that the development dimension approach to the work of the WTO, including S&DT, should be thoroughly reviewed if Members wished to be in a position to conclude new multilateral agreements.

7.20. The paper that it was co-sponsoring showed that there were numerous means and approaches for expressing the concept of S&DT in concrete terms. The instruments therefore existed and Members should use them in the way best suited to the circumstances of particular negotiations – where creativity could be required at times.

7.21. Those instruments could obviously be used to determine the respective levels of engagement of Members according to their development needs and their capacity to contribute to the multilateral trading system. Indeed, a country that had just graduated from LDC status could not be expected to contribute as much as a competitive economy that was far more advanced from all points of view.

7.22. It would also be futile to try to define a priori abstract criteria for determining the levels of commitment of developing Members. With the exception of the LDCs for which S&DT should be maintained, it was not categorization that was important so much as the binding commitments that each Member was in a position to make in the various fields that were or would be the subject of negotiations.

7.23. As Members had seen, the instruments for modulating commitments according to needs and capacities were available and it should be possible to find new ones for tackling unfamiliar situations. What mattered was that the implementation of those instruments made it possible to achieve balanced, transparent and predictable results – the goal being the best participation possible of developing Members in the trading system.

7.24. The representative of Canada welcomed the paper submitted by Norway and was pleased to co-sponsor it. The paper was overall constructive and brought forward a number of pragmatic suggestions for the way forward. It was in the spirit of the various WTO reform discussions taking place amongst Members. Canada stood ready to engage in deepening discussions and advance on those new grounds in order to make sure that development remained an engine of growth and that it remained at the heart of the multilateral trading system.

7.25. The representative of Iceland supported the paper presented by Norway entitled, "Pursuing the development dimension in WTO rule-making efforts". Iceland shared the concerns expressed by the Norway regarding Members' collective difficulty of delivering multilateral outcomes and saw the paper as a constructive approach to addressing some of the key challenges they currently faced as an organization.

7.26. Development was one of the core principles of the WTO and S&DT was the tool through which the organization aimed to ensure that all its Members benefited from trade. It was important that Members found a way of constructively addressing S&DT focusing on how S&DT provisions could be designed in a manner that addressed the development challenges Members faced – so that they could continue to negotiate multilateral outcomes that benefited all.

7.27. Iceland thanked Norway for the work it had undertaken to contribute to a constructive conversation among Members about how the development dimension, including S&DT, could best be pursued in WTO rulemaking efforts. The paper had looked at how S&DT had been dealt with previously – providing tools for creative and pragmatic approaches for Members to take inspiration from and to engage with each other in order to understand their concerns better.

7.28. The paper provided a constructive and useful approach for bringing their discussion forward. Iceland hoped that the paper would be the start of a constructive dialogue on how the development dimension, including S&DT, could best be pursued in WTO rulemaking efforts.

7.29. The representative of Mexico supported the statement of Paraguay made on behalf of a Group of Latin American Countries under Item 6. At the February General Council meeting, Mexico had raised a series of elements that had to be taken into account for a discussion on S&DT. At that time, Mexico noted that it was important to recognize that the circumstances had changed both in the way business was done as well as there had been a change in the main trading players.

7.30. It was also important to recognize that a single approach for all developing countries would not be functional either because it was said in the document that was being presented to Members that there was a great diversity of levels of development, sensitivities and priorities that had to be taken into account. Given the well-known positions of Members, they had to avoid a discussion that would detract them from consensus-building. They should focus on pragmatic and forward-looking approaches. They could take as a reference point and a source of inspiration negotiating approaches which had been successful in the past such as the Agreement on Trade Facilitation.

7.31. The document presented by Norway reflected the ideas and the position that Mexico had expressed at the previous meeting. That was why it had co-sponsored the document. Mexico shared the spirit behind those ideas that sought to contribute in a constructive way and build bridges between the different positions expressed in February and that they had just heard that day. The challenges before the organization were vast and varied.

7.32. Regarding the negotiations, Members should work more pragmatically because if they would not do that, it would mean ignoring the new realities and the specific needs of each Member – two tenets that had to always prevail. Mexico did not run away from the debate nor from its responsibilities in the organization. Any discussion on flexibilities in current and future negotiations should be led in full recognition of those two tenets and that had to be enshrined in the result and the level of ambition of the negotiations.

7.33. The representative of Singapore strongly supported Norway's submission on pursuing the development dimension in WTO rulemaking efforts and was pleased to co-sponsor it. The paper rightly stated that aiming at consensus on a negotiated set of criteria for when the developing Member should have access to S&DT was neither realistic nor necessarily useful. The question should rather be on how S&DT should be designed to address the development challenges Members were

facing. As highlighted in Singapore's statement at the February General Council meeting, development was a multidimensional and complex issue. Members could not ignore their differing circumstances. It was more important and meaningful to look at Members' commitments, obligations and contributions at the WTO.

7.34. Second, there was more than one way to skin the cat. Norway's paper clearly showed that S&DT took many forms and covered the entire range of WTO Agreements and made the case convincingly that that should inspire Members to explore how the development dimension including S&DT could best be pursued in a pragmatic and creative manner in current and future negotiations. Taking fresh and creative approaches to S&DT would require Members to demonstrate political will and negotiate in good faith. Singapore looked forward to engaging in a constructive dialogue on that issue.

7.35. Third, Members should ultimately rebuild trust among themselves if they wanted discussions to move forward at the WTO – be it on development or any other issue. Some Members had commented that Norway's submission did not provide any assurance that Members would engage in a more constructive discussion on S&DT. In that connection, Singapore shared a quote by Benjamin Franklin: "in this world, nothing can be set to be certain except death and taxes." As such, instead of waiting for any such assurances or guarantees, Members should engage in a constructive conversation on useful proposals in good faith while remaining open to fresh and creative approaches. That was the only way to make progress and revitalise the WTO. Singapore associated with the statement to be made by ASEAN on development.

7.36. The representative of Hong Kong, China welcomed Norway's communication which represented a pragmatic approach in taking forward the development dimension in WTO negotiations. Hong Kong, China was pleased to see that positive input to the present discussions and was happy to join as a co-sponsor of the paper.

7.37. Various papers circulated by Members as well as the exchanges that had taken place at the previous General Council meeting had clearly shown that the designation of development status and the related claim of S&DT were systemic issues of interest to the entire WTO Membership.

7.38. While informed debates would enhance Members' understanding on the subject, they should stay focused on their objectives for the multilateral trading system – an important one among which was to ensure the widest possible integration of Members into negotiations for progressive trade liberalization. Hong Kong, China was open to discussing alternative approaches that could better drive further commitments from Members at various stages of development.

7.39. Norway's communication placed due emphasis on the pertinent role of S&DT in particular for LDCs. It suggested that negotiating the criteria for Members' access to S&DT would be neither realistic nor necessarily useful. While the paper had not proposed a concrete solution, it drew Members' attention to the different formats of S&DT that had been adopted over the years under different WTO Agreements. The open-ended approach helped encourage all Members to continue to explore solutions that would respond to the opportunities and challenges currently faced by all Members.

7.40. The paper was going in the right direction and provided a good basis for further meaningful discussions. Hong Kong, China called on Members to remain open to new ideas and refrain from pursuing polarised debates that did not have a real prospect of reaching consensus.

7.41. The representative of New Zealand was pleased to co-sponsor Norway's paper. The issue of development and S&DT had been a longstanding issue of debate in the organization. It was a complex issue which threatened to become only more divisive. Papers submitted by other Members on the issue had raised salient points. It was time to have a constructive debate focused on pragmatic solutions. New Zealand had co-sponsored the paper because it believed that discussions on development and S&DT necessarily involved a range of perspectives. The paper helpfully provided examples of the diverse approaches to S&DT taken in the organization which illustrated that point.

7.42. For New Zealand, S&DT was an instrument to enable development through trade, as Norway had said, to make trade an engine for development. When appropriately designed and tailored, S&DT should contribute to sustainable development and progress in advancing the multilateral trading

system. New Zealand agreed with Norway's point that what really mattered was what commitments Members were ready to take on and how S&DT could be designed to address the real development challenges Members were facing in each area under negotiation.

7.43. New Zealand had consistently supported S&DT where its response to identified needs was targeted and proportional where it did not undermine core WTO principles of liberalization and non-discrimination and where it supported the integration of developing countries into the multilateral trading system.

7.44. As a number of Members had mentioned that day in relation to the previous item, S&DT should be tailored to the specific challenges faced by the Member. Members knew that small island developing States for example faced particular challenges associated with scale and distance.

7.45. Norway made an important point about what its paper was not intended to do. The tailored approach was not intended to create legal uncertainty or overly burdensome processes to accessing S&DT. It was intended to achieve a tailored approach based on needs and special circumstances. The approach was not a reinvention of the wheel so to speak and reflected practices that they had applied already. The approach represented a pragmatic shift on the conversation and New Zealand looked forward to engaging with all Members on the issue.

7.46. The representative of Turkey intervened on items 6 and 7. S&DT was an indispensable principle of the WTO rulebook. It had been an integral part of the WTO Agreements and negotiations since the beginning. The paper's approach in underlining the importance of those elements was highly welcomed. Turkey appreciated the overall positive tone of the paper's narrative and thanked Norway for its efforts in preparing the paper.

7.47. The current WTO Agreements had been agreed on the basis of the single undertaking principle. S&DT had been part of that single package. At the 3 May Informal TNC meeting, Turkey had drawn attention to the fact that the integral parts of what had been agreed in 1994 was then coming to the table as separate issues. Members could not deny that such dynamic had generated a certain momentum. Revising the approach on S&DT provisions was one of those issues. In the absence of consensus, many countries became apprehensive in the face of that momentum for different reasons.

7.48. The WTO Agreements had been adopted by developing Members on the condition that there would be S&DT for developing Members and on the understanding that a Member's status of development would be self-designated. Norway's paper was drafted in a way as if it proposed a reverse approach such that even if Members did not give up their developing status they would still give up their ability to have direct access to S&DT provisions.

7.49. With that approach and without clarity on their status, developing Members could find themselves in separate negotiations on each of the S&DT provisions which they had already secured during the establishment of the multilateral trading system. How to avoid an endless loophole of "negotiation and discussion intensive processes" would be another question. It also had the potential to risk current rights of developing countries within the covered agreements. The objective had always been to further integrate developing countries and LDCs into the multilateral trading system – not to narrow down their existing rights in current agreements.

7.50. In the previous General Council meeting, Turkey had stated that it remained open-minded to talking about finding solutions to update the rulebook where necessary or to introduce new rules where needed. It had also underlined that it would be more positive if Members went back to the negotiating topics and to what could be done in those topics in a realistic manner taking into account the capacity of each Member to undertake new commitments. Turkey maintained that view.

7.51. The paper left the door open on how to carry on the discussion on development – which was the key question there. Arriving at an understanding on how Members should move forward with those discussions, including development, would be critical. In that overall balance, Turkey would follow and assess ideas and continue to contribute to the discussion on how to respond to the challenges facing the organization.

7.52. The representative of Afghanistan said that the communication and the follow up discussions could contribute to a constructive dialogue among Members on how the development dimension including S&DT could best be pursued in the WTO framework. Afghanistan had communicated the paper to its capital and reserved its right to comment on the matter upon receiving the corresponding instructions. Furthermore, Afghanistan recalled and reaffirmed its general statement on S&DT delivered on the February General Council meeting.

7.53. The representative of Uruguay considered the paper to be a positive and constructive contribution to the discussions at hand. Uruguay concurred that the issue of development should continue to be at the centre of WTO work as Members had all agreed. Uruguay highlighted the opportunity to have a constructive discussion on how best the S&DT principle could be put into practice in current and future negotiations to make rational use of that mechanism and to properly address the needs of the Members with a view to ensuring their full and effective participation in the multilateral trading system.

7.54. While Uruguay concurred that the outcome of negotiations in each case should respond to the development conditions and challenges faced by the Members, and on the understanding that what had been presented had not been a proposal per se but rather a discussion paper, doubts persisted as to how and by whom those solutions could be implemented in practical terms. By way of example, Uruguay wondered if, when transition periods were foreseen for certain commitments, there were different timelines for each developing country, and how those could be determined.

7.55. Uruguay remained ready to pursue constructive discussions on that important issue with a view to achieving a consensual vision among Members to strengthen the WTO's negotiating function.

7.56. The representative of Thailand, on behalf of the ASEAN, welcomed Norway's paper and thanked it for its efforts to stimulate discussions and close existing gaps between Members' positions on the delicate issue of trade and development. S&DT provisions embodied in WTO Agreements were an indispensable element of the WTO's tool box – vital for pursuing sustainable and inclusive economic growth.

7.57. ASEAN shared the views of many Members that the focus of their discussions on trade and development should not be undertaken in a binary manner that focused on the development status of Members as that would create further polarization and deter real and constructive engagement.

7.58. As had been pointed out in the paper entitled "Balancing Rights and Obligations in the WTO – A Shared Responsibility" published by three highly respected former Directors of the WTO Secretariat in 2018, ASEAN recognized that S&DT measures took many forms and they existed for both developed and developing Members. It was therefore important to have a shared objective and ability to find an appropriate negotiated balance of rights and obligations among Members.

7.59. The ASEAN Member States therefore supported constructive and pragmatic approaches to tackling the issue of development in a thoughtful and holistic manner and looked forward to working with Norway and all Members on that important issue. ASEAN urged Members to move away from polarising debates and to engage constructively in the development discussions with a view to achieving negotiated outcomes commensurate to Members' needs for their economic development.

7.60. The representative of Jamaica, on behalf of the ACP, intervened on items 6 and 7 and recalled the ACP statement made at the 3 May Informal TNC meeting. The ACP recalled and reaffirmed the only mandate on S&DT that was settled in Paragraph 44 of the Doha Ministerial Declaration which was to review S&DT provisions with a view to strengthening them and making them more precise, effective and operational.

7.61. The ACP Group would always seek to preserve the right of developing and LDC Members to access the relevant S&DT provisions embedded in WTO disciplines in current and future negotiations. In that regard, the Group did not agree to the proposals that arbitrarily classified Members according to categories.

7.62. All developing countries were entitled to S&DT and could not be excluded from claiming flexibilities even before negotiations began. The latter would deviate and went against the spirit and agreed S&DT principle which were enshrined in the Marrakesh Agreement and which formed an

integral part of WTO Agreements. There could be Members who chose to opt out of S&DT or to voluntarily self-declare that they did not require certain flexibilities in their implementation of WTO Agreements. Importantly, those discussions should seek to further the mandate of Paragraph 44 of the Doha Ministerial mandate.

7.63. The ACP Group had taken note of the communication from Norway and co-sponsors. A reiteration of inter alia the following principles in the submission was a step in the right direction: First, the submission rightly reaffirmed the centrality of development enshrined in WTO Agreements. Second, the purpose of the document was to establish a constructive conversation about how development including S&DT could be best pursued in WTO rulemaking. It was important that that endeavour was aligned to the mandate of S&DT as it related to WTO Agreements. Third, the recognition of the different levels of development among Members including different sensitivities and development priorities. In that regard, those should be addressed with the view to ensuring that the benefits of the multilateral trading system were shared on an equitable basis. Fourth, the negotiating criteria for Members' access to S&DT was unlikely to be productive. Fifth, the vital role of technical assistance and capacity building as enablers in balancing the rights and obligations of Members.

7.64. In the context of the submission, the ACP Group reiterated that the S&DT mandate was meant to allow policy space and flexibility for developing and LDC Members to implement development policies to enable structural transformation, industrialization, economic growth and sustainable integration into the global economy. It was therefore important that the ambition or objective of any new or proposed WTO Agreement should be to support and not undermine those current economic and/or developmental objectives of developing and LDC Members.

7.65. While Members had differing opinions about the value of some existing S&DT provisions, the ACP Group agreed that S&DT was an established principle that was integral to WTO rules and that its application had many dimensions. The various suggestions could be better aligned with the development mandate. In that context, the Group urged Norway and its co-sponsors to consider inter alia the G90 Agreement-specific proposals which would assist Norway's submission in responding to the mandate to strengthen the S&DT provisions by making them more precise, effective and operational.

7.66. The ACP Group with the G90 would resume consultations shortly with the intention of refining and tabling the G90 proposals to the CTD SS. The ACP Group urged Members to engage constructively with it in the process and looked forward to engaging specifically with Norway with the view to facilitating better understanding of the positions of both sides.

7.67. The ACP Group stood ready to play a constructive role in any discussions that sought to make the WTO better serve the interest of all its Members. Any discussion moving forward should ensure that the basic principles of inclusivity, transparency, development and in particular S&DT for developing and LDC Members were fully adhered to.

7.68. The representative of China commended Norway and the other co-sponsors for their efforts in trying to bridge gaps between Members. China appreciated Norway's narrative that the categorization of Members did not matter. Contentious notions like differentiation or graduation of developing Members would lead them nowhere.

7.69. As it had said in the 3 May Informal TNC meeting, China could not accept a case-by-case approach as a new general modality to understand and deal with S&DT. It was up to developing Members to accord themselves the fundamental right of S&DT on whether, when, how and to what extent. The pragmatic fix to the problem was to encourage developing Members to contribute according to their capacity to do so instead of requiring them to prove the case for their fundamental right prior to the negotiations.

7.70. For current negotiations and discussions like fisheries subsidies, the Membership should accommodate the needs of developing Members from the very beginning of the substantial negotiations so that their capacity constraints could be properly addressed and they would be in a favourable position to better integrate into the global initiative.

7.71. The representative of Malaysia associated with the statement made by ASEAN. Malaysia welcomed the submission by Norway on the way forward for the discussions on development – one of the main objectives of the multilateral trading system. Significant gaps remained between developing and developed Members in terms of economic and social development, and developing Members were still facing tremendous capacity constraints to fully participate in the multilateral trading system.

7.72. S&DT was essential for developing countries and the centrality of development should remain in the current Doha Round negotiations. While Malaysia noted the efforts to bridge the discussion on development, Members needed to ensure that flexibility could be accorded to the needs of developing countries in fulfilling their obligations and commitments under the multilateral trading system. Malaysia remained committed to engage in the discussions.

7.73. The representative of India noted the assertion in the paper that negotiating criteria for designating Members' access to S&DT was unlikely to be productive. At the same time, it was not clear what exactly were the fresh and creative approaches being suggested by Norway on S&DT for developing countries – whether it was suggesting not having S&DT; providing S&DT on a case-by-case basis; posing S&DT as per the capacity of individual Members including not availing of S&DT by the concerned developing Member on a voluntary basis; or something else. India looked forward to engaging with Norway to understand those aspects.

7.74. The representative of Chad, on behalf of the LDCs, said that the paper reaffirmed the key role of S&DT for developing Members in the context of the GATT. The LDCs welcomed Norway's intention to engage in a constructive dialogue. Norway's relevant and innovative communication had been submitted to their capitals and they were awaiting feedback in order for them to make further comments and participate in the discussions to come.

7.75. In the meantime, the LDC Group reiterated its concern on the fact that the priorities of LDCs were not being addressed on an urgent basis. The LDCs hoped that S&DT would not be curtailed upon their graduation. Graduating LDCs would need specific attention and flexibilities in the context of their transition towards developing country status within the rules-based WTO system.

7.76. The LDCs continued to support the need to prioritise the agreement-specific S&DT proposals of the G90 – an unfinished business from the DDA. That was especially important in light of the other matters relating to the Doha mandate which were being addressed in the current negotiations. The LDCs needed positive and constructive responses to that matter which would help enhance Members' comprehension and understanding on LDC issues and address them.

7.77. The LDC Group hoped that Members could make as much progress as possible in that process so that Members could achieve results that were satisfactory and responsive to the needs and priorities of the LDCs.

7.78. The representative of Egypt noted that Norway presented some ideas on how to tackle the complicated issue of S&DT and to narrow the divergence among Members. While its capital was assessing the proposal, Egypt shared its preliminary comments.

7.79. Egypt agreed with Norway that negotiating criteria for designating Members' access to S&DT was unlikely to be productive. The way forward in S&DT negotiations should start with Members' reengagement on discussions on the substance of the S&DT proposals presented by developing and LDC Members to better identify the core elements of the issues which had become the main stumbling blocks. That was a pragmatic approach that Members should follow at the current stage. They likewise needed to test all options and approaches that had been utilised within the WTO covered agreements including the most recent ones.

7.80. Egypt thanked Norway for its efforts and encouraged all co-sponsors to do more consultations to address all Members' views and concerns. Egypt remained open to engage constructively in further discussing some of the ideas on that topic.

7.81. The representative of Colombia recalled Colombia's statement at the February General Council meeting and identified specific elements in the paper that contributed to the important dialogue on the matter. Members' dialogue should focus on striking an adequate balance between rights and

obligations among the Membership and not delve into discussions on criteria or elements to group together or exclude countries from different categories.

7.82. Colombia agreed that it was important to strengthen and improve the rules-based multilateral trading system which focused on the development dimension from a socio-economic lens. As what had been mentioned in the paper, Colombia underscored the importance of having enabling mechanisms to fully implement international obligations and to adopt new commitments which had as their starting point the realities and particularities of all Members. The dialogue should be constructive and should aim to strengthen links among Members and to nurture a sense of shared responsibility among them to ensure that trade rules were a genuine mechanism for the growth and development of all Members.

7.83. The representative of Barbados intervened on items 6 and 7. Barbados noted Members' continued focus on development – reinforcing its importance and centrality in every aspect of WTO work – and added its voice to the discourse in support of that key observation.

7.84. Barbados concurred with previous interventions which noted that S&DT was not a new or recent phenomenon as it had already been articulated in the GATT and in various horizontal provisions and sector-specific WTO covered agreements. Those provisions were not without context. It was therefore critical that Members did more than just viewing those through myopic lenses. Those provisions and the outcomes of current and future negotiations should remain accessible to developing countries especially SVEs, LDCs and other developing countries with capacity constraints.

7.85. Members' discussion that day provided another opportunity to reiterate the shortcomings of per capita income alone as a measure, particularly for small island developing economies like Barbados and those in the Caribbean and Pacific regions which had been characterised as high or middle income countries. Their experience had been that per capital income did not take into consideration the inherent challenges associated with smallness or vulnerability and had effectively marginalised many small, vulnerable countries. Barbados continued to urge the international community for due regard to be given to economic and environmental vulnerability in defining access to development finance, concessional finance and technical assistance and capacity building.

7.86. Like others, Barbados viewed trade as an engine for growth and development, and S&DT in the WTO as an enabler for the implementation of their commitments and achieving their development objectives. Like the Marrakesh Agreement, Barbados recognized the differing levels of development, development needs and objectives of individual Members and therefore the need for differentiated treatment for countries like it.

7.87. Barbados would continue to listen to other Members' contributions on the issue and remained ready to engage constructively in an effort to ensure that all Members were fully integrated into the multilateral trading system.

7.88. The representative of Ecuador valued the constructive spirit of the proposal by Norway which contained interesting elements that merited being analysed. S&DT fulfilled the crucial role within the system to seek a minimum balance in conditions where LDCs could compete on the international market. Ecuador welcomed that the proposal mentioned that S&DT was an important tool to ensure development and greater participation in the multilateral trading system.

7.89. The current discussion on S&DT was based on the competitiveness of various economic sectors of a country and did not take into account the challenges faced by developing countries where many of their sectors that had low productivity were competing with highly modern ones that had greater means. S&DT should apply to all developing countries.

7.90. It was clear that S&DT was historically significant including from the creation of the WTO. In 1995, the General Council had established the Committee on Trade and Development with the aim of serving as a key forum for the coordination and consideration of the WTO's work in addressing development. It was in the CTD where Members should therefore address that horizontal aspect and the various dimensions of development.

7.91. On a number of occasions, Ecuador had listened to references to the need to ensure the effective functioning of WTO bodies. It was however clear that if Members did not use those bodies

that already existed to address their concerns then the result could be negative for all. Ecuador stood ready to continue to constructively contribute to a dialogue on that key matter.

7.92. The representative of Benin, on behalf of the African Group, noted that the paper, aimed to contribute to the reflection under way to try to advance the work on S&DT, came at a crucial time in the negotiations. The African Group would carefully analyse the elements set forth in the paper and would assess them in light of Paragraph 44 of the Doha Declaration so that the S&DT provisions in the covered agreements could be strengthened and made precise, effective and operational.

7.93. The development dimension was a major objective of developing and LDC Members with the view to promoting trade and to addressing the specificities of that category of countries including their constraints. Members would immediately need to examine the substance of the various S&DT proposals set forth that day including the G90 proposal. The African Group thanked the CTD SS Chair for the consultations with Members under various configurations and on a consensus basis that had been launched to identify possible outcomes in that area.

7.94. The representative of Japan commended Norway's initiative in putting forward its paper which reminded Members that development concerns had been addressed in many ways in the past negotiations. As a next step, Members would need to reflect on previous experiences and consider how they could actually apply different approaches to the ongoing negotiations.

7.95. The representative of South Africa reemphasised that the CTD SS remained the only mandated body that could address issues related to development and S&DT. Although any Member was free to raise items on the General Council agenda, any discussion of proposals that set modalities for S&DT negotiations should not undermine current processes underway in the CTD SS. As a preliminary reaction, South Africa recognized and commended Norway for reflecting the importance and essence of S&DT for developing countries in a positive way. S&DT remained at the heart of the multilateral system as a means to enable development through approaches that preserved the collective rights of developing countries.

7.96. The right of developing countries to claim S&DT was unconditional and could not be eroded by approaches that required them to prove their need for S&DT on a case-by-case basis before it was extended. Norway seemed to suggest that except for LDC Members, every other developing country Member would have to prove their right to claim S&DT. That aspect of the paper was likely to divide developing countries and LDCs. It would further seem that developing country Members would have to make upfront "minimum baseline" commitments that could be expanded through phase-in periods and thresholds that would act as triggers for such commitments. Those mechanisms eroded the unconditional nature of S&DT as embedded in the Marrakesh Agreement.

7.97. Norway's paper seemed to be confusing effect with cause thus putting the cart in front of the horse. Development was not an outcome but a process. Posing the right questions would allow Members to come up with the right conclusions. Einstein captured the challenge crisply when he had said, "If I had 60 minutes to solve a problem and my life depended on it, I'd spend 55 minutes determining the right question to ask". At present, the question was on how Members could make S&DT more effective, precise and implementable. It implied no premeditation or judgment and was simple enough to implement. In the end, differentiation was a policy choice that would be invoked by Members themselves based on self-determined and sovereign developmental prerogatives irrespective of whether they applied to current or future negotiations.

7.98. The representative of the European Union noted that the paper had the right focus because it was looking for a pragmatic and solution-oriented approach with regard to future negotiations. The EU welcomed the emphasis on the contribution of trade to development which needed to be clearly acknowledged in the debate on development and should serve as an underlying principle in the reflection on the approach to S&DT. As the EU had already said earlier, the objective of S&DT was not to exempt developing Members from obligations but to allow developing Members to progressively ensure full participation in the trading system.

7.99. The EU therefore agreed with Norway that the question should be on how S&DT could be designed in order to address development challenges Members were facing. The EU also agreed that it was the negotiated result that mattered and not the categorization of Members except for LDCs where special treatment should be maintained.

7.100. The EU shared Norway's view that S&DT should be designed in terms of specific individual country needs preferably at sectoral or activity level and that the needs were somehow based on evidence. S&DT should focus on providing more time to implement commitments as well as on providing assistance. Future agreements should eventually be universally implemented.

7.101. The representative of Nigeria noted that the paper had reemphasised the centrality of development in WTO work and had underscored the fact that S&DT could help achieve an acceptable balance of rights and obligations among Members. S&DT should continue to be an integral part of all WTO Agreements to provide requisite flexibilities for developing Members to achieve their developmental objective. Nigeria was however concerned that the paper seemed to suggest that the provision of S&DT should be directly related to the development challenges of a Member.

7.102. The question put forward to Members concerned the choice of the tool that could or should be used to calibrate developing countries' development challenges for the purpose of S&DT negotiations or the provision of S&DT – which Nigeria found problematic and unacceptable. Nigeria associated with the statements made by the ACP and the African Group and urged Members to consider the G90 proposals on S&DT.

7.103. The representative of Indonesia, intervening on items 6 and 7, observed that the evolving discussion on the matter in all negotiating fronts had been frantic and divisive. The discussion failed to associate S&DT with the history of why Members had insisted back then to have in place the development elements and hence the need to implement the DDA. Regardless of the issue, Members should agree that S&DT existed in many forms and enjoyed by them irrespective of their development status – an acknowledgement that the real issue was not S&DT. S&DT provided a platform for all Members to enter into trade negotiations with a view to obtain full developmental benefits from a just and effective multilateral trading system. The TFA was a good example of showing that defining S&DT could be achieved in trade negotiations.

7.104. Indonesia however shared the view that S&DT was only a part of development policy. Careful examination of development challenges was needed in trade negotiations. S&DT could be designed to address the development challenges faced by Members. As regards the categories of challenges that would be acceptable in the negotiations, Indonesia noted that each Member had the sole right to determine the challenges that it faced. Development challenges were not only determined by Members' development categorization. Some challenges also existed due to the particular situation of the respective Member such as for archipelagic and landlocked countries. Indonesia therefore urged Members to carefully consider the issue and to discuss it in a more constructive manner.

7.105. The representative of the United States agreed with Norway that "an underlying objective of the multilateral trading system is to enable all Members to contribute to the full extent of their capabilities to a set of disciplines that permits them to benefit fully from cooperation among trading partners." Norway had also stated that differences among Members "must be adequately addressed to ensure that the benefits of the multilateral trading system are shared in an equitable manner". The United States however said that nothing in Norway's paper suggested anything that would make those happen.

7.106. The "rich menu of lessons" on S&DT that Norway referred to was more like a direct path to irrelevance for the WTO unless Members confronted reality – which was that the wealthier, more competitive economies in the world did not need S&DT when compared to the LDCs and others. That was not confronted at all in Norway's paper.

7.107. Refusing to take commitments or exempting out of them under the guise of S&DT did not enable development. In fact, fundamentally, that was perhaps the institution's biggest problem. Trade and full implementation of the rules were pro-development. Many others saw trade and the rules as anti-development. That was why some Members wanted carve-outs and exclusions rather than assistance in achieving full implementation of the rules.

7.108. Members had sufficient proof that the current system was broken. The DDA had failed because many self-designated developing Members had steadfastly refused to undertake commitments commensurate to their status as major traders. Instead, they had clung to an increasingly outdated view of their level of development – one not at all defined by the reality of the time. Members could not pretend they would make a different choice that day or in the future. A

prime example was the fisheries subsidies negotiations where the most capable among them still appeared unwilling to do their part.

7.109. The United States did not wish to have an academic exercise on S&DT. It rather wanted to have a discussion grounded in the reality of that day. The United States was pushing for actual change that would enable Members to negotiate and close new WTO agreements.

7.110. The representative of Norway said that their exchange proved that the issue was indeed of fundamental importance to the organization. Many Members had found something they had liked in the paper even if they had not agreed with every detail – which was not to be expected. Most Members had agreed that they needed to search for another approach on how to pursue trade and development in current and future negotiations.

7.111. A number of delegations had expressed their concerns and had posed questions about where the paper was taking them and what it meant in operational terms. There had also been comments based on an interpretation of what the paper seemed to suggest. Such comments and questions were welcome because they could bring the discussion forward. The paper had been deliberately not meant to be prescriptive but directional. Its purpose had been to stimulate a discussion – not to end it. The discussion should therefore continue.

7.112. Norway would continue to be engaged and would accept invitations put forward to engage with interested Members. It was not however the responsibility of just one or a few Members to carry the discussion forward. It was rather their shared responsibility as Members to search for alternative pathways and avoid deadlock. They should remind themselves that old talking points would produce old results, or no results at all, as the case could be.

7.113. The most important thing Members could do in terms of follow-up was to apply a more pragmatic and practical approach to trade and development when engaging in actual negotiations. One prominent opportunity before them was fisheries subsidies where they needed to address a number of challenges related to development within the mandate and timeline given by their political masters. Another opportunity mentioned by several Members was the agenda in the CTD SS. There was nothing in its paper that excluded a discussion in the CTD or CTD SS – where discussions had been stuck for quite some time. There was reason to look forward with some anticipation to the revised G90 proposals that had been referred to. If that could lead Members to a more practical and pragmatic approach to those issues, that would be welcomed by many.

7.114. Norway called on all Members to continue the conversation at both conceptual and practical levels addressing real challenges in specific areas under negotiations. In any case, they should not forget that old talking points would produce old results.

7.115. The General Council took note of the statements.

8 SPS AGRICULTURE ISSUES – STATEMENT BY CANADA

8.1. The Chair recalled that the delegation of Canada had requested the Secretariat on 25 April to include that item in the agenda of the current meeting.

8.2. The representative of Canada recalled that the WTO's Twentieth Monitoring Report on G20 trade measures issued on 22 November 2018 had shown that the amount of trade covered by restrictive measures had hit a new high during the current reporting period – a proliferation of trade restrictive measures and uncertainty that could place economic recovery in jeopardy. In response to that report, the Director-General had called on Members to use all means at their disposal to "de-escalate" the situation and to engage in a "solution-finding mode".

8.3. Agricultural exports were important to Canada making it always in a "solution-finding mode" when it came to agricultural market access. Plant and animal health and food safety were also extremely important to Canada and it took the rules-based trading system very seriously.

8.4. The SPS Agreement was a very good agreement which provided the basis for timely resolution of issues. It struck the appropriate balance between rights and obligations. Under the Agreement, Members had the right to take SPS measures necessary for the protection of human, animal or plant

life or health. Members also had obligations to ensure that SPS measures were applied only to the extent necessary to achieve those goals; that they were based on scientific principles; that they did not arbitrarily or unjustifiably discriminate among Members; that they were based on international standards; and that they were not applied in a manner which would constitute a disguised restriction on international trade.

8.5. A stronger commitment by Members to the SPS Agreement could go a long way to addressing what appeared – based on the large number of specific trade concerns regularly raised at meetings of the SPS Committee – to be an increasing number of SPS based market access issues between Members.

8.6. Canada's most urgent, pressing and well publicised SPS concern at present was with respect to China's recent actions affecting Canadian exports of canola seed. China was an important market for Canadian canola seed exports. In 2018, Canadian canola seed exports to China had been valued at \$2.7 billion representing Canada's largest export market for canola seed. But also in 2018, Canada had exported canola seed to 27 markets without any SPS concerns raised by any other major trading partner.

8.7. In March 2019, China had suspended two Canadian establishments from exporting Canadian canola seed on grounds that recent shipments had not met China's import requirements. China had also increased inspection of imports of canola seed from other Canadian companies, creating additional uncertainty for both Canadian exporters and Chinese importers.

8.8. Regaining full market access for Canadian canola seed was a priority for Canada. Canada wanted to be a good trading partner. If a partner identified a problem with a Canadian export, it took that very seriously and it wanted to find a solution. Canada had been working hard to resolve that issue with China – using every available channel on the ground both in China and in Canada. Canada had been and remained open to working constructively with Chinese counterparts to address their stated concerns.

8.9. To do so, Canada would however need to fully understand the problem. The Canadian Food Inspection Agency had tested – and had then retested – the shipments from the two Canadian establishments suspended by China and had found that they had met China's Import requirements. Canada had repeatedly asked China for the scientific evidence that supported its findings and the measures taken – but China had not been forthcoming in providing that information. To fully understand China's findings, Canada needed further technical information including pest risk assessments, sampling and testing methodologies and access to the specimens detected.

8.10. Over the years Canada and China had been able to successfully resolve differences of interpretation regarding import requirements through continued engagement. Canada sought to do so again. Open and predictable rules-based international trade was the only way global commerce could succeed. Cooperation between Members and willingness to engage on issues was equally important.

8.11. Echoing the words of the Director-General in response to rising trade restrictions, Canada asked China to "engage in a solution-finding mode". Canada reiterated its call for China to provide the scientific evidence that supported its findings. That was a specific case but was raised in the current setting because it was an important example of the broader concerns and the trend of increasing trade restrictive measures. Canada called for the issue to be resolved based on their shared overall commitments to the WTO particularly to the SPS Agreement.

8.12. The representative of China fully agreed that all Members were obliged to abide by the principles and the requirements of the SPS Agreement to formulate and implement SPS measures on the basis of international standards, guidelines and recommendations and also based on scientific risk assessment. At the same time, Members had the responsibility to ensure the safety of their exporting products and to meet the SPS requirement of the importing Members.

8.13. Recently, quite a number of cans of harmful pests from Canadian products had been intercepted by China's customs. The relevant information including photos had been provided to Canada. Consultations between both sides had been held and China would like to keep communication with Canada in the SPS Committee framework in the WTO.

8.14. The General Council took note of the statements.

9 TRADE RESTRICTIVE MEASURES BY BRAZIL – STATEMENT BY ECUADOR

9.1. The Chair recalled that the delegation of Ecuador had requested the Secretariat on 25 April to include that item in the agenda of the current meeting.

9.2. The representative of Ecuador said⁸ that given the importance of the matter, Ecuador had requested the inclusion of its concern in the agenda for the current meeting of the General Council. Exports of bananas from Ecuador to Brazil had been suspended for 20 years since 1997 as a result of phytosanitary restrictions imposed as a consequence of the suspected presence of certain diseases in banana plantations in Ecuador.

9.3. To address those concerns, Ecuador had taken a series of actions to comply with the requirements imposed by the Brazilian phytosanitary authorities and to prove the health of bananas produced in Ecuador. As a result of those actions, in December 2017, Brazil had allowed the importation of bananas from Ecuador subject to compliance with various phytosanitary requirements including, among other things, the requirement of a certificate establishing the absence of five plant diseases of concern to Brazil.

9.4. On that basis, exports of bananas from Ecuador to Brazil had been made on normal commercial terms until 26 February 2019 when a Brazilian Federal Judge had suspended all imports. That decision had been based on the alleged existence of studies indicating the presence of the bract mosaic virus in Ecuadorean bananas. The Federal Judge had referred to an alleged serious risk of the contamination of Brazilian banana plantations by that virus that would affect the entire Brazilian production of bananas.

9.5. It was important to note that, before the imposition of the suspension, there had been no reason to suggest that Brazil had any concern regarding the bract mosaic virus, because – as the Brazilian authorities had recognized – that virus was not found in Ecuadorean territory.

9.6. In addition, on 18 March 2019, the Secretary of Agricultural Defence of Brazil's Ministry of Agriculture had issued a decision suspending, officially, imports of bananas from Ecuador into the Brazilian market. As a result of those developments, the phytosanitary measures adopted by Brazil in December 2017 – with which Ecuador had complied fully – had been rendered ineffective. Consequently, at present, Ecuadorean bananas could not be exported to Brazil.

9.7. That restriction was inconsistent with the requirements of the SPS Agreement. The restriction on imports was founded in the decisions of two branches of the Brazilian State: the decision of a Federal Judge which belonged to the judicial branch and the decision of the Secretary of Agricultural Defence of Brazil's Ministry of Agriculture which was part of the executive branch. In Ecuador's view, the decisions referred to above were without basis. The judicial branch did not have competence in phytosanitary matters while the decision of the Ministry of Agriculture was not based on the risk evaluation completed by Brazil in 2017. Consequently, Brazil was acting inconsistently with Articles 5.1 and 2.2 of the SPS Agreement.

9.8. In addition, the suspension of imports of bananas from Ecuador was a measure that was more restrictive than necessary. Given that the phytosanitary requirements agreed by Brazil and Ecuador in 2017 were a viable alternative means of phytosanitary regulation of imports of bananas from Ecuador, Brazil was also acting inconsistently with Articles 5.6 and 2.2 of the SPS Agreement.

9.9. The measures adopted by Brazil also reflected an unjustifiable discrimination against imports and a disguised restriction on international trade contrary to the provisions of Articles 5.5 and 2.3 of the SPS Agreement.

9.10. In those circumstances, the Republic of Ecuador, in the exercise of its rights, requested Brazil to immediately lift the suspension of imports of bananas from Ecuador given that the decisions of

⁸ At the request of Ecuador, its statement was also circulated as a room document and can be found in RD/GC/11.

the Federal Judge and the Ministry of Agriculture lacked the technical and factual justification necessary to sustain a prohibition on importation of bananas from Ecuador.

9.11. In addition, Ecuador requested Brazil to reverse its decision and to apply the phytosanitary measures for the importation of bananas from Ecuador set out in Instrução Normativa N° 46 which had permitted trade in bananas between the end of 2017 and early 2019 after years of review and application by Ecuador of the requirements requested by the Brazilian phytosanitary authorities.

9.12. Ecuador hoped that, in accordance with the obligations in Article 5.8 of the SPS Agreement, Brazil would offer a prompt and clear response to its request in order to find a solution that would give access to its banana exports to the Brazilian market which had been closed to its exports for more than twenty years. That problem had caused significant economic losses to its producers and had led to the issue being raised repeatedly as a trade concern in various bodies of the organization without leading to a satisfactory solution that would be consistent with the rules of the WTO.

9.13. The representative of Brazil had been surprised by the placement of the present item in the agenda of the General Council. Ecuador had suggested an item entitled "Restrictive Measures by Brazil" which was so broad that it did not provide a clue as to what they were talking about. It did not provide any context on the area of trade, the underlying covered agreement or even the product at issue. They had only found out that it was about bananas after listening to Ecuador's statement.

9.14. The broad title of "Restrictive Measures" had only been used twice at the General Council. In both cases, it had described broad measures with deep political and security implications. It would seem therefore that Brazil had adopted various restrictive measures and had applied a wide range of protectionist measures where in fact they were only dealing with a single SPS issue regarding one product – which seemed to be a technical issue rather not a political problem.

9.15. Brazil took note of the views shared and reaffirmed its intention to maintain a productive dialogue between sanitary authorities of their two countries. The imports of bananas of Ecuador had been provisionally suspended by judicial decision as a phytosanitary risk, the Banana Bract Mosaic Virus, which had not been part of the risk analysis when the market had been opened in 2017. The decision had been based on – and in order to ensure the objectives of the SPS Agreement – the adoption of phytosanitary measures necessary to preserve plant life. Those discussions could therefore be more fruitful if undertaken in the SPS Committee.

9.16. Since the publication of the decision, the Ministry of Foreign Affairs and the Ministry of Agriculture had maintained a frank and open dialogue with the Ecuadorian authorities in order to promote bilateral trade while preserving Brazil's phytosanitary condition.

9.17. The General Council took note of the statements.

10 COMMITTEE ON BUDGET, FINANCE AND ADMINISTRATION – REPORT ON MEETING OF MARCH 2019 (WT/BFA/178)

10.1. The Chair drew attention to the report of the Budget Committee in document WT/BFA/178 and invited Ambassador Dagfinn Sørli (Norway), Chair of the Budget Committee, to introduce the report.

10.2. Ambassador Dagfinn Sørli (Norway), Chair of the Committee on Budget, Finance and Administration, reported that the CBFA had met on 20 March and on 30 April. His remarks would focus on the report of the meeting that had taken place on 20 March, bearing the reference WT/BFA/178. He would give a report of the latter meeting at the next meeting of the General Council.

10.3. Concerning the 2019 Work Plan, the Committee had discussed the draft work plan for the year noting that it was a year for during which the 2020-21 budget would be considered. The Committee had started reviewing the Financial Regulations of the WTO in keeping with the requirement that they be reviewed every four years and bearing in mind that the current version had been in place since February 2015. A formal recommendation would be made to the General Council during the course of the year.

10.4. The Committee had established two working groups to facilitate discussions regarding the development of a management policy for the Working Capital Fund and the assessment of expressions of interest related to the selection of External Auditors for the period 2020-2025. He reminded Members that those working groups were open to any delegation that was interested in participating in them.

10.5. Concerning the 2019 Salary Scale, the Committee had taken note of a presentation by the Secretariat regarding the WTO Salary Scale for 2019. The salary scale was developed using a weighted average of salaries of the United Nations Office in Geneva and a select number of organizations based in various cities in Europe, adjusted for exchange rates and Purchasing Power Parity. The effective change in the WTO salary scale for 2019 was 1.78%.

10.6. Concerning the WTO Pension Plan, the Chair of the WTOPP had presented a brief update of the activities of the WTOPP in 2018 and had notified the Committee that the 2018 Annual Report of the WTO Pension Plan would be available in mid-2019.

10.7. Concerning the Office of Internal Oversight, the Head of the Office of Internal Oversight had informed the Committee of the notable progress made by the Secretariat in implementing audit recommendations.

10.8. Concerning the contributions from Members and Observers in 2018, the Secretariat had notified the Committee that contributions received from Members for 2018 had been higher than those that had been received in 2017 and had been in line with the 2016 receipts. There had been thirteen Members under administrative measures as at 31 December 2018 with a total amount outstanding of CHF 7.9 million. For Observers, the level of contributions for 2018 had more or less been the same as that in 2017. Three Observers had been under administrative measures as at 31 December 2018 with a total amount outstanding approximating CHF 646,000.

10.9. The Committee on Budget, Finance and Administration made the following recommendation to the General Council: "The Committee invites the General Council to urge Members and Observers under Administrative Measures to liquidate their arrears".

10.10. The General Council took note of the statement, approved the Budget Committee's specific recommendation in paragraph 9.7 of WT/BFA/178 and adopted the report.

11 OTHER BUSINESS

11.1 Geneva Week – Statement by St. Vincent and the Grenadines on behalf of the OECS

11.1. The representative of St. Vincent and the Grenadines, on behalf of the OECS, speaking under "Other Business", said that during that week, the WTO was hosting the 38th Edition of the Geneva Week – a weeklong event for Members who did not have a permanent presence in Geneva and which aimed at providing and overviewing the current work and activities taking place within the organization. The agenda set forth a comprehensive work programme with briefing sessions covering key issues currently being debated in the House and updating participating Members with the most recent developments.

11.2. The participants also had the chance to attend WTO meetings including the current session at the General Council which proved to be a useful experience and a knowledge-sharing exercise. Overall, the event provided an invaluable opportunity for Members who were resource-constrained making it a useful and important initiative.

11.3. However, since participation was restricted only to those Members who did not currently have a permanent mission in Geneva, the OECS together with other small State delegations were working towards a proposal to broaden the scope of eligible participants to include representatives from Members which despite having a permanent mission in Geneva had limited staff and resources and inevitably faced more challenges when engaging in the multilateral trading system.

11.4. Geneva, being the international hub for diplomacy and international organizations, a lot of delegates from those missions had to divide themselves between different meetings, different subject areas and engage in other non-trade related international organizations. The aforementioned

proposal would therefore allow for Members that had recently acceded or had recently established a permanent delegation in Geneva and those who had three or less delegates to designate representatives to participate in the Geneva Week exercise.

11.5. That would greatly facilitate their work and provide a broader understanding of the issues and the modus operandi of the WTO creating an opportunity for those Members to have increased participation in WTO work and to enhance their engagement in the different meetings and Committees – as well as with the Membership more broadly. The OECS welcomed any small State wishing to associate with its proposal and aimed to submit the proposal for a decision during the next General Council meeting in July.

11.6. The representative of Dominica associated with the statement made by the OECS and looked forward to an affirmative decision during the next General Council meeting in July.

11.7. The representative of Grenada associated with the statement made by the OECS in support of Members to participate in the Geneva Week given the limited capacity to be in Geneva and looked forward to the matter being taken up in the next General Council meeting.

11.8. The General Council took note of the statements.

11.2 Administrative Matters for MC12 – Statement by the Chair

11.9. The Chair, speaking under "Other Business", recalled that MC12 would take place on 8-11 June 2020 in the capital city of Kazakhstan which had been renamed as Nur-Sultan in March. In that regard, she referred to the communication circulated by Kazakhstan in WT/GC/201. As Members moved into their preparatory process in the months ahead, she would conduct consultations on matters related to: (a) Election of Officers; (b) Attendance of Observers from Governments and International Intergovernmental Organizations; and (c) Attendance of NGOs. As the General Council would need to take a decision on those administrative matters, it was not too early to start thinking about them and she would be in contact with delegations in due course.

11.10. The General Council took note of the Chair's statement.

11.3 Statement by the Chairperson in connection with Administrative Measures for Members in Arrears

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

11.12. Ambassador Dagfinn Sørli (Norway), Chair of the Committee on Budget, Finance and Administration, reported that the Administrative Measures applicable to Members and Observers with arrears in contribution had been in place since 1 March 2013. In accordance with the Decision of the General Council, he should state all Members and Observers under all categories of administrative measures. As at 3 May 2019, there had been 23 Members and 6 Observers under Administrative Measures. The following 12 Members were currently in Category I: Democratic Republic of the Congo; Egypt; El Salvador; Gabon; Liberia; Mozambique; Papua New Guinea; Saint Vincent and the Grenadines; Senegal; Uganda; Yemen and Zimbabwe. The following 2 Members were in Category II: Cameroon and Congo. The following 9 Members were in Category III: Antigua and Barbuda; Burundi; Chad; The Gambia; Guinea; Guinea-Bissau; Niger; Sierra Leone and Bolivarian Republic of Venezuela. The following 3 Observers were in Category I: Comoros; South Sudan and Uzbekistan. Somalia was the only Observer in Category II. The following 2 Observers were in Category III: Libya and Sao Tomé and Príncipe.

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

11.14. The General Council took note of the statements.

ANNEX 1**HONOURABLE BRADLEY FELIX'S ADDRESS TO THE GENERAL COUNCIL ON BEHALF OF THE WTO MEMBERS OF THE OECS ECONOMIC UNION**

This statement is being delivered on behalf of the WTO Members of the Organization of Eastern Caribbean States (OECS) Economic Union.

It is truly an honour to be with you today and to share a few perspectives on the WTO and its role in the development of its Members, particularly small, vulnerable economies. It is often said that if the WTO did not exist, it would need to be created. It would need to be created to build a common rulebook that allows for freer trade between countries. It would need to be created to mediate disagreements between trading partners. It would need to be created to prevent the descent into protectionism that triggered the Great Depression. It would need to be created to avoid the beggar-thy-neighbour policies that have led to violent conflicts. Mercifully, it was with hindsight, and the benefit of history that we turned to a rules-based multilateral system two and a half decades ago.

Indeed, it was hoped that the establishment of the WTO would bring an end to self-defeating protectionism. Regrettably, some of us are again turning inward, paying little heed to the lessons of the past. In consequence, the warning lights on the dashboard of the global economy are now blinking. The World Trade Report published last month offers sober reading. Trade growth has contracted. The forecast for this year and the next indicate strong headwinds linked to trade tensions. The most recent World Economic Outlook published by the International Monetary Fund also confirmed trade tensions as a major constraining factor for global output. Two renowned economists – Joseph Stiglitz and Paul Krugman, have recently pointed to darkening economic clouds on the horizon linked to trade tensions.

For small economies like those of the OECS, these self-inflicted headwinds are likely to have real impacts on the livelihoods of our people. With small internal markets and high trade dependence, this slowdown only serves to complicate an already fragile recovery from the global financial crisis and multiple catastrophic-level natural disasters. But we are not the only ones who will suffer. Least developed countries, emerging markets and even some in the affluent world will also bear the burden.

It is therefore critical to consider the costs of protectionism. We must consider the lives and jobs that will likely be affected. We must accept that multilateralism is not a zero-sum game. We must know that our decisions here in this House can be a force for good – if only we take stock of the lessons of the past.

Turning briefly to WTO reform, it is apparent that some Members would like the rule of this House to be updated. And as with all organizations, Members will from time-to-time consider how the organization can function better. The WTO is certainly not immune to improvement. Though some critical questions must be asked. Why reform? What is the aim? Who will it benefit? And, is the system broken? Of course, depending on whom you ask, the answer will differ. Regardless of the answers to these specific questions, there are a few cardinal principles that should guide us in our conversations.

- One, any reform agreed must support the development aspirations of all.
- Two, any proposal aimed at reform must strengthen and improve the functioning of the system.
- Three, no reform proposal should undermine the delicate balance of rights and responsibilities we currently enjoy.
- And finally, the principle of equity and fairness must be observed.

While it is right and proper to focus attention on solving the log-jam related to the appointment of Appellate Body members, it is vital that other long-standing and unaddressed issues be also considered, including the non-implementation of Rulings of the Appellate Body, and here I speak specifically to a case of high importance to one of our OECS Member States, Antigua and Barbuda.

Allow me to offer one final reflection. Beyond the call for stepping back from the cliff-edge of protectionism, and ensuring that WTO reforms benefit us all, we must act to further secure the credibility of the system. This demands that we roll up our sleeves, put our shoulders to the wheel and make a final push to deliver a credible outcome on fisheries subsidies. The world's oceans are being pillaged by unsustainable practices. We all bear some responsibility but some bear a greater responsibility than others. We therefore need to redouble our efforts to find common ground and deliver on the mandate that we collectively agreed in Buenos Aires. It is within our reach. It is now for us to act. It is now for us to deliver.

ANNEX 2**THE REPORTS BY THE DIRECTOR-GENERAL AND THE CHAIRS OF THE NEGOTIATING GROUPS AT THE INFORMAL TNC AND INFORMAL HODS MEETINGS HELD ON 3 MAY 2019****Report by the Director-General¹**

I have had a number of very useful exchanges over recent weeks. Since our February meeting, I have conducted a bilateral visit to Mexico, including meeting with President López Obrador. And I have engaged with business, academia and other stakeholders in Brazil and the US. Last month, I took part in the Spring meetings of the World Bank and IMF in Washington DC. I also participated in a joint WTO-IMF-World Bank event on the role of trade in reducing poverty.

Here in Geneva, I have conducted bilateral meetings with several Ministers, Ambassadors, Heads of agencies and other Stakeholders. I also participated in a range of events – at the invitation of Members and others. These events included: an LDC Group retreat in Montreux which discussed the perspectives of LDC participation in WTO work and the road to MC12; a session to mark International Women's Day at the WTO, where we launched three new initiatives for women's economic empowerment through trade including a training module and new research on trade, gender and the environment; an open-ended meeting of the Structured Discussion on Investment Facilitation for Development on 3 March, at the invitation of the coordinator – Ambassador Gonzalez of Colombia; a High-Level Panel at UNCTAD's e-commerce week, together with Denmark's State Secretary for Trade, Susanne Hyldelund and Secretary-General Kituyi; a workshop on the Gender Considerations in Trade Agreements, which was the 4th workshop in the context of the Buenos Aires Declaration on Trade and Women's Economic Empowerment; and a workshop on the Moratorium on Customs Duties on Electronic Transmissions earlier this week.

The WTO also hosted the International Forum on Food Safety and Trade last week, where I was pleased to be joined by the Director-Generals of the FAO, WHO and OIE, along with the African Union Commissioner for Rural Economy and Agriculture Josefa Sacko and a number of Ministers.

While I have the chance, I would also like to highlight two events that are taking place next week. First, at the request of Consumers International, the WTO will be facilitating a Trade Dialogue session with a number of consumer groups from around the world on Monday, 6 May. They have requested an opportunity to report on their conversation, particularly to the Group Coordinators and to the Members who represent economies where these consumers groups are based. Second, I am pleased to say that on Friday, 10 May, we will be welcoming UN Secretary General Antonio Guterres to the WTO. He will address a special meeting of the General Council in the afternoon. A notification of this session was sent to Members on Wednesday. I hope you will be able to attend.

Now let me turn to our negotiating work. You have heard directly from the Negotiating Group Chairs, so let me just emphasise a few points. The first is to say that all Chairs remain available to meet with any delegation interested in advancing any negotiation. Second, it is very positive that Members have continued to constructively engage and table new proposals, particularly on fisheries subsidies. I hope we will see papers put forward on other topics as well, as was the case for services recently.

On fisheries subsidies, there is some genuine new engagement by a wide diversity of Members. We also have some new ideas that may help to work through longstanding divergences and blockages. However, the clock continues to tick toward the December deadline, and a great deal remains to be done. We still don't see tangible signs of convergence. These negotiations are technically complicated and there are many different views on how to deliver a result.

What is clear is that this work matters for the world's fish stocks and fishing communities. It matters for achieving the SDGs. And it matters for the WTO itself. So I agree with Ambassador Zapata that the time has come for the Heads of Delegations to become substantively engaged. This is important both to raise the political level and therefore the urgency of the work, and to bring their higher-level perspective to bear in the search for the workable compromises that we need to see.

In this context, I am pleased to announce that the WTO fisheries trust fund has been created in response to a request from LDCs. This fund will assist LDCs in bringing their capital-based

¹ Also issued as JOB/TNC/74.

delegations to Geneva to participate in the clusters of fisheries subsidies meetings in 2019. Norway has pledged to donate one million Norwegian Kroner, which is approximately 110,000 Swiss Francs to the Fund. So, thank you Norway for this generosity. I would also ask other Members to consider whether they can support this important initiative.

One final point on this issue, Members will have seen the communication circulated last week by the Committee on Subsidies and Countervailing Measures reminding us that the deadline for the submission of fisheries subsidies notifications is 30 June 2019. As you recall, at MC11 Ministers recommitted to implementing existing notification obligations in order to strengthen transparency with respect to fisheries subsidies. I encourage all of you to meet your notification requirements by the deadline.

Moving on, let me say a word about agriculture. As highlighted by the Chair of the Special Session in his report, it is important for delegations to use the May-June period to bring forward new inputs and contributions to prepare the negotiation phase that will start after the summer break.

I hope that Members will make their best efforts to advance or even settle some aspects of the negotiations, taking advantage of CoA Special Session meetings as well as other high-level trade meetings in this period. In this context, I think Members should keep in mind that not all topics can advance at the same pace, so it may be productive to focus engagement on those areas where progress seems most possible.

Moving on, clearly development and LDC issues remain a pressing priority. I encourage the CTD SS chair to continue exploring with Members all possible approaches to find ways of breaking stalemates and making progress in the Special Session. I also encourage him to continue his efforts to advance the conversation on ways and means to ensure that development remains effectively central to our work. So please be proactive, creative, open-minded and constructive as you interact with Ambassador Ngarambe.

Of course, there are many other areas where we need to see progress. This includes those areas where we are already behind the schedule that Members set themselves, for example Public Stockholding.

In each of these areas, let me once again reiterate that the Chairs and I are available to assist you in driving things forward. But you – the Members – remain in the driving seat.

Of course, some Members are also pursuing joint initiatives, outside the Negotiating Groups, on areas of economic interest. I leave it to them to provide updates on this work if they so wish.

Let me turn now to the broader picture in global trade. On 2 April we published our latest trade forecasts. The numbers tell a clear story. In 2017 trade growth was 4.6%. In 2018 it underperformed with growth of 3%. The final quarter saw the biggest drop in 10 years. And the forecast for 2019 is just 2.6%. This reflects the realities of global trade today, with very high levels of uncertainty dragging down both global GDP and trade. While there is potential for a slight improvement in 2020 – this is in part dependent on an easing of trade tensions over this period.

It is therefore increasingly urgent that we resolve tensions and focus on charting a positive path forward for global trade which responds to the real challenges in today's economy. As part of this, we must address the systemic issues facing the WTO – and this connects with the ongoing debate on WTO reform. While I think there is significant momentum behind the idea of reform, it is clear that so far Members have been flexible in approaching this task.

From my conversations with Members I think there are a few over-arching principles. First, whatever the precise steps Members wish to take, it is clear that the WTO has to be better, work faster, and be more responsive. Second, no one is talking about tearing apart what we have. Rather, the focus is on taking necessary, practical, concrete steps that can have a rapid impact in driving our work forward. Third, I have not heard any one talk about bundling things up into some kind of new package. Instead, the focus seems geared towards harvesting what we can, when we can and moving on. So that's the broad approach.

In terms of the substance, I think the conversations are falling into 3 broad areas. The first is how to strengthen the work of the WTO's regular bodies and committees to improve areas such as

notifications and transparency and better utilise these bodies to address Members' trade concerns. The second area is how to improve the Dispute Settlement System and address the impasse in the appointments to the Appellate Body. I welcome the fact that Members remain engaged in the informal process on Appellate Body matters facilitated by Ambassador Walker, under the auspices of the General Council Chair. I understand that so far, a total of eleven proposals have been submitted to the General Council by Members. This matter will be taken up in next week's General Council and I look forward to that discussion. I am also continuing my own consultations. And, as I said at our last meeting, we must start thinking about all possible options now, not in December. The third area is how to improve our negotiating work so that we can keep delivering new agreements with real economic impact. As I have said before, we can't allow multilateralism to become synonymous with paralysis. We have to find ways to reinvigorate our negotiating and deliberative work to deliver on issues of importance for members.

The systemic threats we face demand action from us all. I commend Members for the commitment and engagement that we have seen so far this year, and for your efforts to resolve these issues. But it is clear to me that we need to do much more if we are to truly rise to the historic challenge before us. Our actions over the coming months will be crucial. So, we have to get it right.

This concludes my report.

Reports by the Negotiating Group Chairs

1. Negotiating Group on Rules

As I reported in February, the work undertaken by the Negotiating Group on Rules in the last part of last year succeeded in completing the streamlining of the proposals received in the lead-up to MC11. The result of the streamlining process was a single working document (TN/RL/W/274/Rev.6) and a supporting room document (RD/TN/RL/72) which includes all the different proposals, along with a number of alternatives. In addition, the Incubator Group process came to an end in December having generated many useful ideas and suggestions for new ways to approach old problems and the reports from the Groups along with an abstract were distributed to the Negotiating Group on 21 December.

At the December cluster the Group also agreed to a new work programme for the first seven months of this year with six clusters of meetings of one week each. Each cluster to be evenly divided, with time available for meetings delegations organized themselves and time for open-ended consultations.

In addition, four facilitators were appointed, one each for IUU fishing, for overfished stocks, for overfishing and overcapacity, and for cross-cutting issues. According to the mandate, special and differential treatment is integral to the negotiations, so this is being taken up under each heading and as a cross-cutting issue. Other cross-cutting issues include the scope of a WTO fisheries subsidies agreement, transparency provisions, institutional arrangements, and disputes and remedies.

So far this year, the Negotiating Group has held three clusters of meetings and a fourth is going to be held next week. There has also been a lot of activity between the clusters as delegations have met with each other and the facilitators. I have also held my own consultations with delegations and am continuing to do so. In addition, the Secretariat has been carrying out regional workshops on the fisheries subsidy negotiations with more planned in the near future.

In addition to the compilation of existing proposals that resulted from the 2018 streamlining process, several new proposals have been prepared and distributed this year. To date, the Group has received:

- a proposal and its revision on subsidies for overfished stocks;
- another proposal and revision on subsidies and overfishing and overcapacity;
- two proposals on a capping limit to subsidies which the proponents say would work alongside other disciplines on subsidies; and

- suggested language on the scope of a fisheries subsidies agreement.

There are different views on these proposals and some Members support some of them, or parts of them, others say they can work with them, and others prefer different approaches. However, in my opinion, each of them is an attempt to compromise, either by trying to find a middle ground among existing proposals or to present a new approach to avoid the known problems with those that have been discussed before.

In addition to delegations negotiating directly with each other, the facilitators have been taking on an increasingly active role and that role has been expanding as we move on. At the start of the year, the facilitators were mostly responsive to requests from delegations for assistance and advice.

Now, following requests from different groups of delegations, facilitators have organized several open-ended meetings, including making presentations and actively participating in the discussions. They also have been reaching out to delegations where they consider this to be useful. I fully expect their role to continue to expand and their participation to increase in scope and importance as we move forward.

To summarise the positive aspects of the past few months, there has been a lot of work, delegations have been fully engaged, all Members say they are committed to the deadline of the end of this year to complete the negotiations, the ambience at the meetings has been positive, and there have been several proposals which try to offer compromise solutions.

But on the negative side, I cannot say that we are getting closer to an agreement.

- On subsidies to IUU fishing. To many people this appears to be the most straightforward issue in the negotiations. But, although I am aware that some delegations have been working on some ideas, we have not had any proposal so far this year;
- On subsidies for fishing of overfished stocks. We have had a proposal which is a serious effort to find a compromise and which has been revised. But there is no agreement that the negative effects approach used in this proposal is the right one, with some delegations preferring a list approach, a hybrid approach or some other approach;
- On subsidies that contribute to overcapacity and overfishing there is also a proposal which has been revised, and which is an attempt to offer a compromise among existing positions. In addition, there are two different proposals based on capping. But again, there is no agreement on what the basic approach should be, or if capping should be an additional discipline on top of other rules;
- Finally, on cross-cutting issues, there has been an increase in activity as certain delegations and groups have engaged the facilitator to hold open-ended meetings to discuss some issues in this area. However, work is still lagging behind other topics and the full implications of some of the basic approaches remain to be explored.

Clearly there is a lot of work to be done, and a very limited amount of time in which to do it. Therefore, I intend to ask for a meeting of the Negotiating Group at this, the Heads of Delegation, level. The meeting will be held in the week of 13 May, following next week's cluster. The aim will be to request strategic orientation through a series of simple, but difficult to answer, questions about the basic direction we should take in each area.

Of course, I do not expect answers or consensus either in next week's cluster or in the Heads of Delegation meeting. I am not looking for a final agreement on anything. I am only looking for an understanding that after the summer break, the negotiations can proceed based on a common approach for each area. To meet the mandate for a negotiated agreement by the end of the year, we need to move quickly, focus on the overall objectives and get down to work.

2. Committee on Trade and Development – Special Session

At the last formal Special meeting of the Committee on Trade and Development (CTDSS) held in early April, I was formally elected as the Chairperson of that Committee. In that meeting, I had

announced my intention to initiate a process of consultations with Members and I had told them that my objective for these consultations would be to get a better perception of Members' concerns and sensitivities in the CTD SS work. In addition, I would like to hear Members' views and suggestions on what can be done differently to achieve tangible progress in this area of our work.

Accordingly, I started a bilateral one on one consultative process with key players representing all geographical regions, including with the Coordinators and development focal points of the G-90, the ACP, the African and the LDCs in my quest for seeking clarity on the way forward. I had invited 26 delegations. Twenty-five delegations attended. My first round of consultations, primarily in a listening mode, has just been completed.

Let me be honest in stating that I did not sense any shift in Members' positions so frequently stated in the past. There is no disagreement among Members on the centrality of development and the role WTO rules can play in harnessing it. However, fundamental conceptual differences continue to remain on how to achieve this objective.

Nonetheless, thanks to a very frank exchange of views during the course of these consultations, I find myself better placed where I have a better sense and appreciation of their positions. I also understood that the proponents were in the process of reviewing their S&D proposals. I hope they would soon be in a position to table revised proposals in the Special Session.

It is also pertinent to mention that Members remain cognizant of the recent developments and the papers being submitted elsewhere in the House in the context of broader trade and development debate and their possible bearing on the dynamics of the work in the CTD SS. I also heard some Members suggesting that it might be useful for us to explore different ideas on how to expand and deepen the nexus between trade and development in our work.

At this stage, I would rather refrain from drawing any conclusions from the consultations I have had. In the coming weeks, I intend to start a second round of consultations with a view to discuss and find ways that can facilitate initiation of substantive work in the Special Session.

I will also keep on impressing the proponents on the importance of tabling their revised proposals as early as possible. I hope to be able to make a more substantive report to you at our next meeting.

3. Council for Trade in Services – Special Session

The Special Session held its first meeting of the year on 8 April.

The purpose of that informal meeting was to discuss a communication from Chile, Mexico, New Zealand and Panama, in which these delegations shared their views and interests on market access in tourism and related services.

The discussion was useful, as many delegations intervened to provide their own opinions, share their interests, or communicate national experiences. Overall, different points of views were expressed.

A number of Members placed significant value on the tourism sector, including for economic development, trade, and the attainment of various national objectives. The importance of the policy environment, including trade and investment policies, was underscored in that regard.

In terms of market access interests, better sectoral coverage and improved commitments in the different modes of supply were mentioned. Some Members also expressed interest in a number of other sectors that were seen to impact tourism, including recreational services, transport of passengers, and construction services, among others.

At the same time, a number of Members questioned the need for discussions, or had limited or no interest in services market access, including because of concerns about lack of progress in other areas of negotiating interest.

Some delegations said that they had interest in discussing other sectors, and a Member said that it intended to circulate a communication on another service sector. In this regard, I would like to mention that I remain available for both bilateral and group-based discussions.

Finally, with regard to Domestic Regulation, the Working Party held a meeting on 20 March to discuss a revised proposal for disciplines on domestic regulation for Mode 4 that had been submitted by the delegation of India. In addition, since my last report to the TNC, a group of Members has continued to hold open-ended meetings to work on the text of disciplines.

4. Committee on Agriculture – Special Session and Sub-Committee on Cotton²

Since my last report to the informal meeting of the Trade Negotiation Committee on 27 February, I held two meetings of the Committee on Agriculture in Special Session and back to back dedicated discussions on Public Stockholding for food security purposes and Special Safeguard Mechanism on 14 March and earlier this week on 30 April-1 May.

My introductory statement at the last CoA Special Session will be circulated soon as a JOB/AG document.

Alongside the CoA Special Session, I have also held more than 20 consultations with delegations and group coordinators. These have been very useful.

As planned, the Members-led Working Groups process initiated at the beginning of the year has intensified since we last met. In total, we have had 17 Working Groups meetings: 5 on Domestic Support, 3 on PSH, 2 on Market Access, 2 on SSM, 1 on Export Competition, 1 on Export Restrictions and 3 Cotton Technical Quad Plus meetings. I thank the Coordinators for convening and chairing these meetings and for the constructive manner in which they have carried out their tasks.

The Working Groups process is generally considered positively by delegations and has thus far achieved its basic rationale, namely triggering more informal and candid exchanges between delegations on the series of questions posed by the coordinators.

It has therefore been decided to continue this Working Groups process until the end of July, but importantly with some adjustments aimed at addressing the comments and suggestions made by delegations, in particular the need to avoid an unnecessary multiplication of meetings and to move progressively towards a more focused and negotiation-oriented phase.

In parallel, CoA Special Session meetings, which remain the central forum for the negotiations, will continue to be held on a monthly basis. I will complement this process with regular intensified consultations in various formats on which I will report at the CoA Special Session meetings.

I have strongly urged Members to come up sooner rather than later with updated inputs, submissions and proposals to feed into the discussions we will be having in the coming weeks and the reaction has generally been very positive.

As previously indicated, my objective is to have an outline of possible elements and related options for delegations to reflect on during the summer break. The form or level of detail of such an outline will directly emanate from Members' contributions and should become clearer closer to July.

Members should then engage after the summer break in a full outcome-oriented process and possibly use various High-Level meetings scheduled in the second half of 2019 as "stepping stones" to advance convergence and facilitate the negotiating process.

As I see it, based on all the deliberations thus far, one might envisage three possible non-exclusive outcomes of this whole process: i) A transparency outcome; ii) An incremental substantive outcome seeking balance but only on a limited scope of selected topics and iii) an integrated substantive package that is a broader balanced multi-topic package that Members would agree on at MC12.

On substance, Domestic Support, PSH and Cotton remain the most frequently mentioned priority issues. Market Access is generally seen less as being more difficult by many delegations who consider that because of the complexity of the negotiating issues, much would have to be done if progress was to be achieved in this area in the current outcome timeline. Tariff simplification, tariff peaks,

² The report was delivered by Deputy Director-General Agah, on behalf of the Chair of the Special Session of the Committee on Agriculture and Sub-Committee on Cotton.

tariff escalation, TRQ administration, and SSG are mentioned by some as possible issues to focus on first, while some others caution against the temptation of cherry picking. Work and discussions will continue on SSM despite the worrisome challenges on this topic.

For several Members, Export Restrictions would constitute a credible potential deliverable and some qualified Export Competition as having "unfinished business". Our engagement in both of these areas will continue.

The question of linkages, both within agriculture and outside, remains an issue. While some delegations cautioned against unwarranted linkages, others considered them as unavoidable.

Several Members consider that priority should be given to issues covered by past WTO Ministerial mandates which should be included in any incremental outcome.

I am fully aware of the obstacles that we face but I remain more than convinced that we need to intensify our engagement to achieve our collective goal.

Let me also note before I conclude that the introduction by the C4 at the CoA Special Meeting on 30 April of the upcoming launch event for a World Cotton Day on 7 October 2019 at WTO headquarters was well received and supported by the Membership.

5. Council for TRIPS – Special Session³

Let me briefly report on my recent activities as the Chair of the TRIPS Special session, and on the current situation in that negotiating group.

As you know, despite various efforts, there has been little activity in this group for some time now. While there had been some signs of active reflection on the part of the 'demandeurs' since MC11 – notably a workshop on the different aspects of the W/52-proposal in 2017 – these reflections have not resulted in any concrete initiative or declaration in the negotiating group. I have also not been able to detect any movement in the periodic consultations that I have been holding from time to time.

In my most recent small group consultation on 1 May, I once again pointed out that this lack of activity in the TRIPS Special Session stands in stark contrast with the dynamic activity on GIs in Bilateral and Regional Trade Agreements – which create multiple new protection regimes for GIs. Unfortunately, this outside momentum has not translated into increased initiative in this negotiating group, which has not engaged in the substance of its mandated work on a GI Register for wine and spirit GIs for some time now. I suggested that an exchange between delegation on relevant developments in recent bilateral trade agreements and domestic GI protection systems could be useful for the work in the TRIPS Special Session, where negotiating positions date from as far back as 2008.

While all delegations promised to raise my suggestion with their Capitals, their substantive positions remained the same. Delegations supporting the W/52 modalities proposal reiterated once again the importance they attached to the TRIPS issues and confirmed their view that the WTO was the right forum to discuss these questions. However, they judged that the current negotiating context was, in their view, not conducive to engaging substantively at this time.

The delegations supporting the Joint Proposal reiterated their position that any activity in the TRIPS Special Session needed to respect the negotiating mandate that was limited to wine and spirit GIs. One delegation argued that the longstanding divergence of views meant there was little likelihood of an outcome, and it was therefore opposed to any intensification of work.

In light of the above, I must once again report that there is still no appetite for substantive re-engagement in the TRIPS Special Session on either side of the debate.

Going forward, I am planning to call consultations again with key delegations in the coming weeks to see whether my suggestion to share experiences about GI developments outside the WTO – that are relevant to the TRIPS SS negotiations – has found any favour with Members.

³ The report was delivered by Deputy Director-General Yi, on behalf of the Chair of the Special Session of the Council for TRIPS.

As in the past, I will stay in contact with delegations and remain available to help reinvigorate these negotiations whenever delegations choose to return to the table.

6. Dispute Settlement Body – Special Session⁴

The DSB in Special Session (DSB-SS) met on 27 March 2019. Members concluded focused work on 3 issues, bringing the total number of issues discussed by the DSB-SS to 11. As for the only other remaining issue, Flexibility and Member control, no substantive discussions could be held. This is because one of the co-proponents was still consulting internally and therefore unable to engage.

During the meeting, I recalled that this year I also serve as Chair of the United Nations Human Rights Council, and that in light of foreseeable challenges in carrying out both chairmanships for an extended period of time, I had decided to step down as Chair of the DSB-SS. The General Council has already designated a new DSB-SS Chair – Ambassador Johnson from Togo – who will take up his duties following my departure.

Before stepping down, I intend to prepare a report that will cover work undertaken by the DSB-SS since late 2016. I will circulate my report in advance of our next meeting so that Members will have the opportunity to comment. At the same meeting, which is currently scheduled for late May, the DSB-SS will also be able to elect the newly designated Chair.

⁴ The report was delivered by Deputy Director-General Brauner, on behalf of the Chair of the Special Session of the Dispute Settlement Body.

ANNEX 3**STATEMENTS BY MEMBERS AT THE INFORMAL TNC AND INFORMAL HODS MEETINGS
HELD ON 3 MAY 2019**

Following the Director-General's statement at the above-mentioned meeting, the statements made by Canada (Ottawa Group); Jamaica (ACP); Panama (Article XII Members); Australia (Joint Statement Initiative on E-Commerce); Trinidad and Tobago (CARICOM); Japan; Mexico; Angola; European Union; Colombia (Structured Discussions on Investment Facilitation for Development); China; Ghana; Cuba; Singapore; India; Peru (including the Lima Group); Argentina; United States; Egypt; Chinese Taipei; Barbados; Chad (LDCs); Brazil; Chile; New Zealand; Thailand (ASEAN); Russian Federation; Republic of Korea; Paraguay; Norway; Pakistan; Turkey; Uruguay (Informal Working Group on MSMEs); Plurinational State of Bolivia; Switzerland; Benin (African Group and C-4); Sri Lanka; South Africa; Indonesia; Solomon Islands (Pacific Group); St. Lucia (OECS); Nigeria; Hong Kong, China; Malaysia; and Bolivarian Republic of Venezuela are included below as part of the Minutes of the General Council meeting. This also includes the remarks of the Director-General at the end of that meeting.

1. Canada (Ottawa Group)

I would like to briefly provide the Membership with an update on the work of the "Ottawa Group" WTO reform initiative. As Canada reported at our last Informal HODs meeting in February, the Ottawa group will meet again in May 2019 on the margins of the OECD meeting to "check in" and review the status of the work done since Davos outlined and to provide guidance on next steps.

In the past few weeks, the informal discussions on the work of the four WTO bodies, the Sanitary and Phytosanitary Measures Committee, the Technical Barriers to Trade Committee, the Rules of Origin Committee and the Council for Trade in Services continued to take place.

On SPS, two meetings of informal discussions were convened in March, on the 1st and on the 20th, in order to debate on possible improvements to the work of the SPS Committee, in particular with respect to its deliberative functions. Some useful ideas have been suggested by Members such as strengthening the specific trade concerns procedure, enhancing the reports presented to the CTG, identifying best practices, facilitating the access to the catalog of instruments (G/SPS/63) and to the existing mediation procedure (G/SPS/61). A list of topics for discussion will be circulated shortly, and a third informal meeting will be organized in late May/early June.

Singapore is continuing work on a discussion paper to identify the practices and tools that aid the work of the Committee on Technical Barriers to Trade with a view to discussing how these can add value to the work of other WTO Bodies.

Following constructive and inclusive informal discussions that started in 2017 in the context of the Committee on Rules of Origin, Switzerland and 12 co-sponsors submitted a proposal to the Committee aimed at enhancing transparency in non-preferential rules of origin. The proposal has gathered a broad level of support by Members, and proponents issued a revised proposal this week which took into account the comments received. The revised proposal will be discussed again in the next formal Committee later this month with reasonable hope that it can be formally approved.

Within the services space, Australia is continuing to explore ideas for strengthening the WTO's monitoring and transparency function for services trade measures.

These informal discussions are useful tools for the Membership in building trust and confidence amongst Members and we encourage all to engage in this spirit.

2. Canada

Canada is pleased to see efforts from the Membership to reflect further on the development dimension in WTO rule-making efforts. As such, Canada wishes to thank Norway for its valuable contribution and welcomes this pragmatic, perhaps more palatable way forward on the trade and development discussion. We think the discussion paper can help balance what has been expressed

in recent meetings. We look forward to engage with others on this to ensure that trade fulfils its objective of being an engine for development and that the work of the organization can continue in a productive manner.

On the fisheries subsidies negotiations, Canada welcomes recent efforts to develop creative ideas to address areas of persisting disagreement on the text of the disciplines. We look forward to working constructively on these new ideas to identify meaningful and realistic outcomes on which the Membership can achieve consensus. The matter is urgent for the WTO: not only due the limited time remaining before the end of the year, but also to demonstrate the continuing effectiveness of the WTO's negotiating function. Canada recognizes that there may be need for appropriate Special and Differential Treatment but this must be tailored to the needs of particular Members and that does not undermine the effectiveness of the agreement.

With respect to the agriculture negotiations, Canada's priority remains developing stronger disciplines on trade and production distorting domestic support that will reflect current trends and realities in international agriculture markets. The starting point for new rules on domestic support should be that all Members make a contribution to reforming domestic support proportionate to their size and role in global agriculture trade and capacity to provide domestic support. Once there is a baseline, we can then look at flexibilities. On process, we support the CoA SS Chair's plans outlined earlier this week for the discussions between now and the end of July to focus engagement in the Working Groups. Canada will continue to play a constructive role in these groups and we plan to continue to make contributions to advance the agriculture negotiations in order to find outcomes for MC12 on new substantive rules, enhancing transparency and setting the stage for continued liberalising agriculture reforms.

Canada continues to appreciate the work on the joint statement initiatives launched at MC11 and it is important to maintain momentum. Building on the recent Joint Ministerial Statement announcing the intention to commence WTO negotiations on related aspects of e-commerce, Canada is looking forward to engage actively in this new phase of discussions and we encourage all Members to participate. Services Domestic Regulation is also another area where we have made meaningful progress.

Canada notes that the participating Members in investment facilitation continue to meet in structured discussions format every month and that Members are engaging constructively and submitting useful examples of elements of a framework for investment facilitation.

Canada remains a firm believer in the WTO dispute settlement system as a key pillar of the rules-based multilateral trading order. We regret that the Appellate Body selection process remains blocked. We note, once again, that there are a number of proposals currently on the table to address the concerns that have been raised by Members. The process that is being facilitated by Ambassador Walker will require meaningful engagement from all Members, but particularly from the United States, which raised many of the concerns.

3. Jamaica (ACP)

On behalf of the ACP Group, my delegation would like to join others in thanking the Director-General for his extensive report. We also wish to thank the Chairs of the Negotiating Groups for their reports.

Agriculture remains a critical part of the economies and livelihoods of ACP countries. The ACP therefore welcomes the steps which are being taken to achieve further progress in the negotiations on agriculture. We further wish to emphasise that the current imbalance in entitlement to the use of domestic support provisions is having a serious negative impact on ACP countries' productive capacity and international competitiveness.

We acknowledge that agriculture remains one of, if not, the most difficult areas of the Doha Work Programme, and for this reason, we call on all Members to accord due priority to advancing the negotiations.

It is important however to bear in mind that any outcome must be in line with the mandate of Paragraph 13 of the Doha Declaration and subsequent mandate issued by Ministers, especially as it relates to the special circumstances of developing countries and LDCs as well as NFIDCs. The

Working Group process must have this at the centre of its modus operandi. The task ahead is challenging but can be successfully realised through cooperation, dialogue and diplomacy.

Regarding the fisheries subsidies negotiations, the ACP Group continues to work diligently on a contribution for this cluster in terms of sharing ideas in the informal text-based discussions. We are also engaged in consultations with our capitals on texts shared by others in the last cluster, although some have not advanced common interests. We also reiterate the importance of negotiations on the basis of TN/RL/W/274/Rev.6.

The ACP Group welcomes the active participation of various delegations and the facilitators in moving the negotiations forward and in that context would urge a return to the 5-day format for informal discussions.

We would also like to remind Members of the need to ensure that, in the enthusiasm to advance these negotiations, developing countries, LDCs and small island States which are dependent on small scale and artisanal fishing and without much capacity to subsidise, do not become the targets of recent pressure to expedite notifications required under Article 25 of the ASCM.

On Special and Differential Treatment, the ACP Group reiterates its concern that a discussion on development is taking place in the General Council instead of within the CTD SS. Further, these discussions are not taking place in accordance with the mandate of Paragraph 44 which is to review the S&DT provisions with a view to strengthening them and making them more precise, effective and operational. The ACP is of the view that arbitrary classification of Members and the suggestion that some developing country Members are not entitled to S&DT or are excluded from claiming flexibilities, deviate from the S&DT provisions enshrined in the Marrakesh Agreement. What could instead be proposed is that Members who so wish can self-declare or opt out if they do not require such S&DT flexibilities in the implementation of WTO Agreements.

We firmly believe that in moving forward with the discussions, we should ensure that the basic principles of inclusivity, transparency, development and particularly S&DT for developing countries and LDCs are fully adhered to. We should also seek to further the mandate of Paragraph 44 of the Doha Ministerial Declaration.

As regards e-commerce, the ACP Group is now more than ever convinced that the work under the current mandate of the 1998 Work Programme on Electronic Commerce has not been exhausted and that there is much more that needs to be done under the development dimension. On the e-commerce moratorium, the ACP Group recognizes the concerns developing countries have with respect to the revenue implications and loss of policy space and are reflecting on the way forward.

As regards WTO Reform, the ACP Group reaffirms the paramount importance of preserving an independent, impartial and well-functioning dispute settlement system which is essential to preserving the legitimacy and credibility of the multilateral trading system, in all of its facets.

We therefore welcome the continuing efforts aimed at unblocking the current impasse in the appointment of Appellate Body Members. The continuing impasse poses the real threat of eroding the effectiveness of the WTO as a rule-making institution and undermines the adjudication function of this House. With this in mind, the ACP Group continues to urge all Members to work in a transparent and inclusive manner with the aim of finding viable solutions.

The ACP Group notes the interests of some Members in enhancing monitoring and transparency measures. Members must be mindful however of the significant capacity constraints that some developing and least developed countries confront in meeting notification related obligations and, as such, seek to ensure that solutions offered are positive and constructive, not punitive, and should not serve to further disadvantage developing country efforts to meet their implementation related-commitments.

In conclusion, the ACP Group reaffirms its full commitment to continue to play a constructive role in any discussion that seeks to make the WTO better serve the interests of all its Members.

4. Panama (Article XII Members)

I am speaking on behalf of the Group of Article XII Members.

As we repeat often, we do not advocate for special treatment because of the time that we have been Members. We advocate for a more level playing field, asking that the original Members of the WTO assume significantly higher levels of commitments such as they required of Article XII Members.

In the Committee in Agriculture in Special Session, our group has repeatedly pointed out that the average agriculture bound tariff of the original Members is four times higher than that of the Article XII Members. Imbalances are also present in Members entitlements in domestic support and commitments in export competition. Our Group has reiterated the need and our willingness to work towards substantive results on all 3 pillars of the Agriculture negotiations.

Elsewhere, in Non-Agricultural Market Access, the average bound tariff of all original Members is three times the average of Article XII Members. Article XII Members have 100% bound coverage; original Members average only 74.5%, and only 37 of the original Members have 100% coverage. In Services, Article XII Members on average have commitments in 107 sectors, whereas the average original Member has commitments in only 42. Article XII Members have also undertaken more commitments in virtually every subsector of the GATS.

The data is clear: Article XII Members have made greater and more extensive commitments than the original Members. This difference has grown and will surely widen as each successive acceding Member is asked to leap over an ever-higher bar.

We must continue our work to strengthen all sectors and pillars of our multilateral trading system. Addressing the imbalances in the commitments of Members is an important part of our work. We encourage Members to see the commitments made by Article XII Members as benchmarks where WTO reforms should lead.

I take this opportunity to reiterate our group's commitment to a successful outcome in the ongoing negotiations and to ensure a level playing field for all WTO Members.

5. Panama

As regards agriculture, Panama supports and has actively participated in the expert groups convened by the Chairman of the Committee on Agriculture in Special Session. Panama considers that technical dialogue should continue to be strengthened to secure a comprehensive reform that covers the three pillars of domestic support, market access and export competition.

If we seek solutions for only one of these aspects, Members will simply focus on the pillar or issue for which they have to undertake fewer commitments, and exclude the others. As a result, we will not achieve the balance between issues required by other Members with other concerns and priorities.

The negotiations on NAMA and services are a neglected part of the built in agenda. They are no less important and no less of a priority than agriculture.

Services play a key role in facilitating trade in goods, including agricultural goods which are so important for many Members. They help create global chains and generate value.

The liberalization of trade in services is a priority for Panama. In our statement as coordinator of the group of Members that acceded to the organization under Article XII, we drew attention to the significant imbalances between the commitments under the General Agreement on Trade in Services. In our specific case, for example, our major trading partners and original Members have only undertaken 9 commitments, while others have undertaken 20. For this reason, among others, Panama, together with Chile, Mexico and New Zealand submitted a communication requesting Members to examine sectors of interest for all Members, in order to explore and exchange viewpoints on market access. Such actions do not constitute new negotiation procedures or processes, but are rather a step towards the fulfilment of the negotiating mandate contained in Article XIX of the GATS.

The negotiations on services must take place in parallel with and be given the same priority as negotiations in other areas, in order to ensure a balance in the interests of Members and in the diversity of their economies. We reject any call to give higher priority to other negotiations. Work must be carried out simultaneously.

With regard to the negotiations to eliminate fisheries subsidies, we have worked intensively, together with five other Latin American countries, to promote and enhance, in the Negotiating Group on Rules, discussions that are based on the text our Ministers instructed us to use as a basis for negotiations, and new proposals and other relevant inputs. We call on Members to show greater commitment to flexibility, and to put forward alternative and potential solutions that would enable us, before summer, to prepare texts that would give rise to an agreement in December.

Panama is committed to participating actively in and contributing to any dialogue or initiative – preferably multilateral, but without excluding other formats – that would help us to adapt our organization to current trends and new challenges.

6. Australia (Joint Statement Initiative on E-Commerce)

I would like to report on progress in the Electronic Commerce Joint Statement initiative on behalf of the co-conveners – Australia, Japan and Singapore.

As I noted at the February Informal HODs, in Davos on 25 January, 76 WTO Members, representing over 90% of global trade, released a Joint Statement on Electronic Commerce. In that statement, Members confirmed their intention to commence WTO negotiations on the trade-related aspects of electronic commerce with the objective of achieving a high standard outcome that builds on existing WTO agreements and frameworks with the participation of as many WTO Members as possible.

We are pleased to report that Benin has recently announced it will join the Initiative bringing the total number of signatories to 77.

Since the release of the Davos statement, and following open-ended consultations, an organizational meeting was held on 6 March. At that meeting the timetable and working methods up to the summer break were set out and a call made for text-based proposals.

To date we have received nine written proposals which have been made available to all WTO Members. They have been allocated an INF/ECOM document ID and are available on the online portal accessible by all Members.

These proposals cover a wide range of trade-related electronic commerce issues and we express our gratitude to the delegations that have submitted them. The proposals set a good foundation for our Member-driven work and provide a sound illustration of the strong interest in setting new rules on e-commerce in the WTO.

The next meeting of the initiative will be held on 13 to 15 May followed by meetings from 18 to 20 June and 15 to 17 July. As for previous meetings, all Members are invited to attend and Members can submit proposals at any time.

At the 13 to 15 May meeting, proponents of proposals will be given an opportunity to introduce their papers. We also intend to delve into greater depth on certain topics raised in the papers, following a thematic approach – with other topics covered in the June and July meetings.

Using the text proposals as a basis, our initial focus will be on identifying commonalities between different proposals and to build our understanding of the reasoning behind any differences.

As mentioned in the Davos Joint Statement, the unique opportunities and challenges faced by Members, including developing countries and LDCs, as well as by MSMEs, will be taken into account in the negotiations. It is our intention to address the development dimension of e-commerce in an integrated manner across all topics. We will encourage delegations to elaborate on the specific challenges and opportunities they face with respect to each issue as it is discussed.

We are looking forward to a productive meeting in May and encourage all Members to join.

7. Trinidad and Tobago (CARICOM)

This statement is being delivered on behalf of the Caribbean Community Group.

We thank the Director-General for convening this meeting, for the report on his activities and for the reports presented by the Chairpersons of the Negotiating Groups. We are indeed grateful for the continued demonstration of transparency. As a Group, CARICOM wishes to reiterate its strong commitment to a rules-based multilateral trading system that is transparent, inclusive, and consensus-based.

The CARICOM Group remains seized of matters concerning the functioning of the Appellate Body. The potential paralysis of the dispute settlement mechanism is a continuing cause for concern and we urge Members to work in a productive manner to urgently resolve the crisis. We believe that a collapse of the dispute settlement system would further disadvantage the smallest and most vulnerable Members. We have noted the efforts of the facilitator, Ambassador David Walker of New Zealand, in driving the process of finding a solution forward, and we also acknowledge those Members that have put forward proposals. The CARICOM Group believes that Members need to engage deeply to ensure that this challenge is overcome.

Regarding the issue of Special and Differential Treatment, the CARICOM Group advances its voice on this critically important principle of our organization. In view of the importance of S&DT in economic development, particularly for the smallest and most vulnerable, we urge Members to give priority to this area. Provisions for S&DT are an integral part of the WTO Agreements. The CARICOM Group does not believe that the right of developing countries to S&DT is an issue for negotiation or interpretation. The development dimension of work at the WTO remains of the highest significance to the CARICOM Group. The Group believes that developing Members, especially small and vulnerable economies, and least developed countries are entitled to and should continue to have access to S&DT in accordance with the Marrakesh Agreement.

Our Group has noted the ongoing work in the fisheries negotiations. We note efforts at progress in the negotiations with a view to the finalisation of an agreement within the time limit agreed by our Ministers, but we also want an agreement that is sound and supports the needs of developing countries and LDCs. As an organization, we need to make optimal use of the remaining time. Meaningful and effective S&DT for developing country and LDC Members should be an integral part of the negotiations.

In the area of agriculture, we have seen an increase in work and as we progress towards the Twelfth Ministerial Conference, it is envisaged that the negotiations will intensify. As our Group plays an active role in these negotiations, we look forward to Members engaging positively to achieve results in agriculture. We support the continuation of agriculture negotiations in the context of addressing the needs of small, vulnerable economies.

The CARICOM Group has taken note of ongoing discussions and initiatives on WTO Reform. As previously stated, we call for a more inclusive and transparent approach. The discussions should not be exclusive to select Members, but should have the full participation of the Membership. Conversations on reform must take into account the concerns and contributions of all and must be aimed at protecting the development interests of all developing and LDC Members.

In the area of Electronic Commerce, while we note the ongoing developments outside the WTO, we remind Members of the decision taken by all of our Ministers, to reinvigorate the work under the E-Commerce Work Programme. We must give our focus to this area of e-commerce work where there is multilateral agreement.

The CARICOM Group remains committed to the multilateral trading system and is devoted to its success. We are willing to work to achieve the results that are necessary to achieve inclusive growth and development.

8. Japan

We have about a year left until MC12. Given the limited time remaining, we now need to consider how to address the issues on the table in a pragmatic manner. We should also be mindful of the fact that the current situation surrounding international trade has started affecting the real economy. At

the G20 Osaka Summit next month, the G20 leaders will discuss various issues facing international trade, including the WTO reform. Japan hopes that the Summit will become an important opportunity to gain political support for the reform agenda, and to boost our discussions in Geneva in the second half of this year.

As a first step towards the WTO reform, Japan attaches great importance to the proposal on enhancing transparency and notification. In this respect, it was encouraging to see the constructive engagements by the members at the CTG in April. Based on the concerns raised by the Members to date, the co-sponsors are now working intensively on the remaining issues in order to achieve a concrete outcome at an early stage. Given its political importance as a litmus test for the WTO reform, Japan calls for general support from all the Members for enhancing transparency and notification.

With regard to the rule-making function of the WTO, we are concerned that the existing WTO rules have failed to address today's trade issues such as market-distorting subsidies and forced technology transfer. With this in mind, together with the US and the EU, Japan is considering how to strengthen rules on industrial subsidies. Japan hopes to discuss this issue with other Members in the not-too-distant future.

On fisheries subsidies, we need to accelerate negotiations to generate a consensus by the deadline agreed by our Ministers which is the end of this year. The clock is ticking. We need to sort out the issues on the table and redouble our efforts to converge discussions.

On agriculture, Japan supports the working group process under the CoA SS and continues to engage constructively in the discussions.

The momentum boosted by the Joint Statement Initiatives should be sustained. Towards positive outcomes at MC 12, Japan expects to see further progress in the areas of e-commerce, domestic regulation of services, MSMEs and investment facilitation. Among other developments, Japan is pleased to see that Benin has recently joined the Joint Statement Initiative on E-commerce. Japan, as a co-convenor of the initiative, will continue seeking to achieve a high standard outcome with the participation of as many WTO Members as possible. Japan also anticipates that the G20 Osaka Summit will provide political impetus to the initiative.

On the Appellate Body matter, Japan continues to support the Informal Process which is underway under the auspices of the General Council. Members have been engaged in solution-focused discussions based on concrete proposals. For its part, Japan, together with other Members, has tabled a proposal. Through intensive discussions, we have confirmed certain common understandings as to the proper functions of the system under the DSU. It is time to explore practical, feasible and expeditious solutions. It is the Members' responsibility to restore the proper functioning of the dispute settlement system so that the system can fulfil its function of securing a positive solution to a dispute.

On the development aspect, Japan believes that S&DT should be granted to the Members who genuinely need such treatment to the extent necessary. Japan would like to call on the other Members to join discussions to promote a pragmatic approach that incorporates development aspects into each negotiation area based on each Member's developmental level.

With about a year to go until MC12, Japan once again emphasises that a solution-oriented approach on the part of all the Members is key to addressing each challenge we now face. Japan will continue to do its utmost to work in cooperation with the other Members.

9. Mexico

The multilateral trading system is facing serious challenges and at least two of these challenges need to be resolved before December this year, which, in practical terms, means within seven working months.

The first of these challenges involves resolving the impasse in the Appellate Body concerning the appointment of its members. For any discussion on new rules, it is vital to have at least one guarantee that the outcome of these rules would be able to be put through all the stages of a dispute settlement proceeding.

Furthermore, compliance with the current rules may be seriously affected, as the lack of a legal system for the settlement of disputes will create greater incentives to depart from these rules.

Despite this situation and the multiple efforts made, we have failed to launch the processes to fill the four vacancies in the Appellate Body. We must be aware that, while we all have a share in this responsibility, some Members have a greater share than others. However, in the end, we will all have to face the consequences of no longer having this body of second instance.

The second challenge involves reaching an agreement on fisheries subsidies in December, as indicated by our Ministers in Buenos Aires. For the next cluster, we will have various proposals, which is proof of the high level of interest and involvement of Members. However, we must ensure that this momentum gives rise to greater understanding, which will allow us, after the summer break, to enter into genuine negotiations regarding specific approaches conducive to an outcome in conformity with the mandate of the Eleventh Ministerial Conference.

Regarding other issues, transparency is a particular priority for Mexico. It is vital to have a system that not only ensures the settlement of disputes but also monitors the correct implementation of the commitments undertaken. The principle of transparency must prevail for all commitments and without special treatment for certain issues. If we try to address the concerns of some Members, we will also have to envisage addressing those of other Members, which will dilute the objective of improving transparency.

Similarly, we must renew our efforts regarding the domestic regulation of services, with the aim of achieving a concrete outcome for Nursultan.

For my country, it is paramount to have an organization that can respond adequately to new ways of doing business. We are therefore pleased to be part of the group of Members which, in two weeks, will initiate negotiations on e-commerce. We will also continue to advance the work in areas such as investment facilitation and MSMEs.

More broadly, we are committed to this organization's reform process, as part of our responsibility to ensure that we have a multilateral trading system which responds, from a trade economic perspective, to the current and future challenges faced by our societies.

In May, we will have at least four Ministerial meetings in which the main subject or one of the main subjects will be this organization. Time is against us and we must make the most of every opportunity that presents itself to us, to ensure that the necessary political commitments are undertaken at the highest level, which would enable us to give considerable impetus to our work.

Mexico will, without doubt, make use of these spaces to reiterate its firm support for the work of this organization.

10. Angola

My delegation aligns itself with the statement made by Chad, on behalf of the LDC, by Jamaica, on behalf of the ACP, and by Benin, on behalf of the African Group.

Regarding discussions on the WTO reform, we would like to emphasise that any proposal to restructure the functioning of this organization must take into account the development aspect and correct some imbalances from the previous rounds of negotiations.

We also consider important that the reform proposals take into consideration development, financial or trade needs, as well as administrative and institutional capacities of developing countries, particularly of LDCs.

Furthermore, proposals should ensure more precise, effective and operational S&DT provisions; Special and Differential Treatment gives us the necessary political space in pursuit of our development goals and allow us to make the needed adjustments associated with the fulfilment of our obligations established in the WTO Agreements.

The current impasse in the appointment of Appellate Body members is a matter of concern, as it weakens the multilateral trading system. The preservation of the rules-based system requires the

quickest resolution of the deadlock over the selection of Appellate Body members and the issues that the Dispute Settlement Body is currently facing.

With regard to the Doha Development Agenda, we highlight the following elements:

In Agriculture:

- Negotiations should result in fair rules and address the systemic imbalances in the Agreement on Agriculture. Fairness will be driven by reform of domestic support, by reducing drastically or eliminating subsidies that distort agricultural trade.
- The green box support represents the largest volume of support in some of the major subsidiaries, hence the need for greater transparency in order to ensure that, in fact, it is not distorting trade.
- S&DT, especially for LDCs, should be an integral part of any outcome in this area.
- A permanent solution to the issue of public stockholding for food security purposes should include the following elements: (i) cover existing and future programs; and (ii) not impose onerous requirements of transparency.

Regarding fisheries subsidies, it is important to fulfil the mandate of the Ministers to complete the negotiations this year. For Angola, negotiations in this area should preserve the sustainable development of our fishing industry, mainly artisanal and for subsistence purposes; respect the rights of coastal States and not impose disproportionate burdens on developing countries, including LDCs.

11. European Union

Activities are ongoing, but the EU is far from convinced that this is a sign we are moving towards solving the current crisis.

The EU remains concerned that the crisis is set to further deteriorate if we do not move from discussion to decision and we demonstrate that the rules-based multilateral trading system – with the WTO at its core – is the best trade regime to tackle current trade challenges.

Still, global trade conditions have significantly changed since the creation of this organization. The WTO thus needs to adapt and create a fairer and more level playing field. This requires updating, strengthening and creating rules while preserving the WTO dispute settlement system to enforce them.

The EU is increasingly concerned that the WTO risks soon ceasing to function in the same manner as we know it today. Despite concrete and constructive proposals addressing the concerns expressed on the functioning of the dispute settlement system, with recent proposals going even beyond the stated concerns, we do not see any engagement from those who expressed such concerns and no sign that the blockage of the appointment of the Appellate Body members will be lifted.

Looking outside of Geneva, and without prejudging the outcome of ongoing bilateral talks between two major Members, the EU is concerned that any arrangement between these Members might further undermine the WTO if implemented in a discriminatory manner, by setting a harmful precedent that undermines the basic tenets of a rules-based order. We should rather aim at resisting all forms of protectionism, including unfair practices. We should seek to abide by and enforce existing rules and work on designing rules that effectively tackle non-market oriented policies and practices adapted to today's economic reality.

In that context, strengthening the rules on industrial subsidies remains the priority of the EU's agenda, as we believe that this is core to ease the current trade tensions in a lasting manner and preserve the WTO. We are also ready to work on the other strands of the rule-making agenda. You can certainly count on the EU's commitment on this.

We welcome the good start of negotiations on e-commerce with the submission of proposals ahead of the first substantive meeting. We look forward to engaging in comprehensive and ambitious

negotiations. The e-commerce process demonstrates that there is a way to move forward in negotiations of future WTO rules with those willing to advance.

We believe that we should follow a similar open plurilateral approach on domestic regulation in services. Work on the follow-up to the Joint Statement initiative launched in Buenos Aires has progressed well and bodes well for a negotiated outcome by the Twelfth Ministerial Conference.

With regard to fisheries subsidies, we praise the Chair's efforts to intensify work. However, we need a change in our collective attitude. The negotiators must be mandated to come to meetings in a true negotiating mode – ready to make compromises where their positions allow. Only if the attitude changes, the deadline of 2019 will be achievable.

Finally, a word on the reform of WTO regular work. First, I would like to thank Members for the useful discussions held at the last Council for Trade in Goods on the revised proposal on improving Members' notification compliance. It is important to pursue this constructive process. Second, given the positive reception of our ideas on possible horizontal procedural guidelines to better equip Councils and Committees to deal with and resolve trade concerns, we are working on formalising these ideas in a draft proposal.

The EU is appreciative of efforts of Members to advance work on a number of issues. However, we should not delude ourselves. The initial progress we are witnessing will not resolve the deep crisis that the WTO is confronted with. We all need to live up to our commitment to the multilateral trading system and ensure that we are not taking actions that are adversely affecting its survival but rather looking to find solutions within the system.

12. Colombia (Structured Discussions on Investment Facilitation for Development)

I am pleased to update Members on the latest progress made by the Joint Initiative on Investment Facilitation for Development since my last report to the HODs in February 2019.

As you may remember, the initiative has moved towards the development of the possible elements of the multilateral framework on investment facilitation for development, in line with the objective established in the Joint Ministerial Statement. For this purpose, the discussions in the first half of 2019 have been based on concrete examples, including text-based examples or suggestions, submitted by Members on a 'no prejudice' basis – using the Checklist as a reference point. Members' examples have been complemented, as appropriate, by examples from the Coordinator, drawing inspiration from WTO texts. The meetings have been organized thematically, as per the schedule of meetings for the period January-July endorsed by participating Members – and circulated to all WTO Members.

Since my last report to the HODs, two meetings were held, in March and April, to address and further develop the elements of a framework on investment facilitation aiming at, respectively, improving the transparency and predictability of investment measures, and streamlining and speeding up administrative procedures and requirements.

As usual, both meetings have been open-ended, and all Members were invited to participate.

Both meetings were well attended, and participating Members engaged in very constructive exchange and discussions on both topics. Ahead of the meetings, several written submissions of textual examples were submitted – 14 submissions of examples on "transparency and predictability of investment measures", representing 45 WTO Members, and 9 submissions of examples on "administrative procedures and requirements", representing 37 WTO Members.

All the examples submitted at the meeting in March, on transparency and predictability of investment measures, were organized in a "Compendium", prepared under my responsibility [room document INF/IFD/RD/5]. The Compendium is a tool aimed at organising the examples submitted under each of the elements and related issues in a coherent and user-friendly manner. It also provides a clearer sense of the many commonalities among the examples submitted. The purpose of the compendium is to facilitate open, transparent and inclusive discussions. At the last meeting, participating Members expressed their strong support for the compendium. Let me clarify that the compendium in no way prejudices the position or views of Members on any of the elements and issues under discussion.

The compendium is being updated to incorporate the examples submitted at the meeting in April. It will be circulated to all Members in advance of the forthcoming meeting.

As per the latest schedule of meetings [INF/IFD/W/3], I would like to draw Members' attention – and invite you – to the forthcoming open-ended meeting of the Structured Discussions to be held on Thursday, 16 May. The main purpose of this meeting is to engage in example-based discussions on the possible elements of a multilateral framework aimed at enhancing international cooperation, information sharing, and the exchange of best practices, and the possible elements related to the development dimension.

In keeping with the open, inclusive and transparent nature of the initiative, I wish to invite – and encourage – all Members to participate in the forthcoming meetings. Participation is entirely without prejudice to Members' position on the Joint Initiative. I would also like to remind you that all documents are circulated in the INF/IFD series and available to all Members.

Let me conclude by reaffirming my commitment as Coordinator to keep the process open, transparent and inclusive. I wish to stress my full availability to receive any feedback or suggestions that you may have.

13. Colombia

We are approaching the end of the first half of the year, and Colombia considers that we need to increase our efforts to move ahead with discussions on the future of the organization and the different negotiations under way.

Firstly, we are concerned that the fate of the dispute settlement system, and specifically, the urgent solution required to overcome the impasse faced by the Appellate Body, has become tied to discussions on other issues. In our view, binding the stability and credibility of the system to the achievement of other negotiation objectives is a risky move that will be detrimental to us all.

We are aware of and share several of the concerns expressed regarding the functioning of the dispute settlement system, which these exchanges give us an opportunity to strengthen and improve. The proposals circulated recently seem to be a further step towards allaying the concerns raised by several Members, and we hope that they will enable us to resolve this impasse.

Regarding negotiations, and specifically those on fisheries, we recognize the efforts made, which are reflected by the growing number of proposals put forward, and which demonstrate the interest of Members in this issue. However, we are concerned that the large number of documents may hinder the successful conclusion of these negotiations within the agreed time frame. We have gone from a relatively simplified outline in document TN/RL/W/274 to multiple texts, some of which contain elements that have not featured in the recent history of these negotiations.

In this context, we welcome and support the role of the Chair and the facilitators, and the action that they have taken in coordination with Members to further refine the discussions and to step up the work to promote consensus texts that take into account the documents recently submitted, as well as document TN/RL/W/274, which contains the results of over three years of work in this organization.

As regards agriculture, we draw attention to the working group process as a complementary forum for furthering discussions, and we welcome the exchanges that took place during the first meetings this year.

Not only will the next Ministerial Conference be important in terms of making concrete progress towards eliminating distortions in agricultural markets, but it will also provide an opportunity for developing countries such as Colombia, for whom this issue is of great importance, to express their concerns about the increase in the adoption by some Members of practices involving technical or sanitary restrictions that violate international standards such as the Codex.

Lastly, concerning other areas of work, we continue to note with optimism and express our interest in the progress made in the plurilateral work initiated in the areas of e-commerce and domestic regulation with a view to achieving concrete results for the next Ministerial Conference.

14. China

As we all know, the continuing impasse of the Appellate Body member Selection Process features the most severe crisis the WTO is currently faced with. Its possible paralysis is approaching for real. In China's view, for the sake of the dispute settlement mechanism and the whole system, Members should be fully engaged in the informal process under the auspices of the General Council in a constructive manner so that we could avoid the crisis by the end of this year. This is No.1.

No. 2, we should also make sure that, when it is operating, the dispute settlement mechanism should function in an impartial and independent manner. The Appellate Body Members as well as the Panellists should act and make their judgment without any external political coercion. Otherwise, their rulings will lose the credibility and cannot stand the test of history.

On fisheries subsidies, we call upon all Members to actively engage in the on-going process. As a matter of fact, China is flexible to the approach of negotiations, and we are more than willing to do our due part. We are preparing and will submit our new proposal on the modality of the discipline soon. This shows China's constructive efforts in the collective vision to achieve the SDGs. Meanwhile, the capacity constraints and practical challenges of developing Members should be fully taken into consideration in any kind of approach.

On transparency and notification, as a basic principle of the organization, enhancing transparency and improving notification are obligations of all Members. China thinks the current discussion is meaningful. However, we also note that most Members are not supportive to the punitive approach, in particular the financial punitive measures, which should be fully respected and reflected in the following discussions as well.

On development, China's position is quite clear. We don't agree to continue the unproductive and polarised discussions on differentiation or graduation of developing Members. Nor will we accept the explicit or implicit case-by-case approach to erode the unconditional special and differentiation treatment for developing Members. The only pragmatic way out is to encourage developing Members to contribute according to their capacity to do so instead of requiring them to prove the case upfront by themselves.

Finally, China supports to make necessary reform to the WTO. In the days to come, we will table our proposal on WTO reform, which is drafted on the basis of the position paper released last November. The proposal will touch upon several specific areas and concrete actions, such as addressing the existential crisis of the WTO, increasing WTO's relevance in the global economic governance, improving the operational efficiency of the WTO, and strengthening the inclusiveness of the multilateral trading system.

Last but not least, China supports to advance discussions steadily on investment facilitation, e-commerce and MSMEs, so that we could have some tangible outcomes at Nur-Sultan of Kazakhstan one year later.

15. Ghana

Ghana is optimistic about the resilience and prospects of the multilateral trading system and is committed to ensuring that the all-time principle of equity, transparency and inclusiveness are adhered to in all its deliberations.

With regard to agriculture, my delegation reiterates the fact that, Ghana, like other developing countries, has been at the receiving end of the negative impact of domestic support measures of some developed country Members which has resulted in the reduction in food security and raised rural unemployment of its people.

For instance, the once vibrant poultry industry that provided almost all the chicken and egg needs, and provided employment to many youth, has now become unattractive due to the excessive importation of poultry and its products from developed countries who tend to provide subsidies to their farmers. Therefore correcting the existing distortions and systemic imbalances in agriculture, particularly through disciplines on domestic support is a priority.

Ghana would also want to see priority given to finding permanent solutions to public stockholding for food security purposes, special safeguard mechanism and cotton as well as to seek balance in the rules in domestic support (i.e. elimination of AMS entitlements to have a level playing field).

On fisheries subsidies, in line with the Ministerial Decision on Fisheries Subsidies adopted at Buenos Aires that gives a clear direction for our work on fisheries subsidies negotiations, Ghana is committed to engaging and deliberating constructively on discussions and proposals for a multilateral agreement on fisheries subsidies to be adopted in line with the MC11 decision.

My delegation reiterates its call for disciplines on certain forms of subsidies that contribute to overfishing and overcapacity as agreed in Goal 14.6 of the 2030 Agenda for development

We also believe that meaningful and effective S&DT is a fundamental requirement of any fisheries subsidies outcome.

On Development and S&DT, my delegation reaffirms that, continental integration, structural transformation and industrialization remain an overriding priority following the launch of the Continental Free Trade Agreement (CFTA) in line with the "Agenda 2063: The Africa We Want".

Ghana therefore supports the African Union Ministers of Trade in their call for the negotiations to be based on developmental objectives and principles of the DDA, including S&DT and less than full reciprocity in line with Paragraph 44 of the Doha Ministerial Declaration.

My delegation reiterates its support for discussions and outcomes that would enable it to industrialise through its ten-point industrial transformation agenda.

On Appellate Body reforms, concerns have been raised with regard to the continuous dysfunction of the Appellate Body of the Dispute Settlement Body. Ghana welcomes the tabling of papers and proposals aimed at resolving the issue.

My delegation will support and participate constructively in deliberations aimed at finding an expedited solution to end the impasse in order to revive the dispute settlement function of the multilateral trading system.

On e-commerce, Ghana welcomed the decision taken at MC11 to strengthen the 1998 Work Programme on Electronic Commerce.

Undoubtedly, e-commerce has created new and exciting opportunities in global trade. However, it also poses significant infrastructural and regulatory challenges especially for developing countries like Ghana that can lose out on these opportunities due to the huge digital divide.

We therefore believe in focusing the discussions and calling for further work/study to be done by the Secretariat on the moratorium on customs duties on electronic transmissions which would ensure that issues of key importance to developing country Members are not left out but examined.

In concluding, Ghana associates itself with the statement made by the ACP Group.

16. Cuba

There is no doubt that the organization is facing multiple challenges. Most of the mandates resulting from the Ministerial Conferences, and specifically the mandate from Nairobi, continue to be applicable and, to date, we have seen no developments indicating that any of them will be fulfilled.

Much work remains to be done, although unfortunately, some key stakeholders do not seem to have the political will needed to achieve balanced results. Others are explicitly moving away from multilateralism and are embracing dangerous forms of nationalism and protectionism, contrary to the rules of this organization.

Almost all Members are suffering the effects of the blockade created by one other Member. We know from our own experience what this means.

On several occasions, my delegation has denounced the imposition of unilateral trade measures. I am obliged to raise this matter given the escalation of aggressive actions and new provisions of this type which are aimed at further impeding the social and economic development of my country.

On 17 April 2019, the Government of the United States announced the adoption of new measures to tighten the economic, trade and financial blockade that it has imposed on Cuba for almost 60 years through the activation of the Helms Burton Act which runs counter to the principles and purposes of the Charter of the United Nations and international law including the rules of the multilateral trading system.

These measures involve the authorization of lawsuits in US courts against Cuban and foreign entities outside the jurisdiction of the United States and the increase of prohibitions on the entry into the United States of directors of foreign enterprises and their families who invest in property that was legitimately nationalised by the Cuban Government, in accordance with international law. This constitutes a legal aberration, and no US Government, from the adoption of the legislation in 1996 until now, including President Trump in his first two years of office, has applied it.

All these provisions and those that also form part of the tapestry of regulations of the economic, trade and financial blockade that the United States is applying against Cuba, are hindering the normal operation of trade in my country, all of this in flagrant violation of the rules established in this organization, and are causing damage to third party countries wishing to trade with Cuba. They are also an affront to the international community that, for 27 years in a row, has condemned almost unanimously the blockade by the United States against my country, including the Helms Burton Act, and has called for it to be brought to an end, through successive United Nations General Assembly Resolutions and statements made at summits of heads of State and/or Governments of the European Union, Latin America and the Caribbean, the African Union, the Community of Latin American and Caribbean States (CELAC), the Group of 77 and China, and the Non Aligned Movement, among other organizations.

The WTO has already partly addressed this case.

At a meeting held on 20 November 1996, the Dispute Settlement Body established a Panel at the request of the European Communities. Canada, Japan, Malaysia, Mexico and Thailand were third parties. On 21 April 1997, at the request of the complainant, and as a result of the agreement reached with the United States not to apply the extraterritorial measures of the Helms Burton Act, the Panel suspended its work.

In 1996, Cuba adopted Law 80, the "Law on the Reaffirmation of Cuban Dignity and Sovereignty", approved by the VII Period of Sessions of the IV Legislature of the National Assembly of People's Power, which states in Article 1 that the Helms Burton Act is unlawful, inapplicable, and lacking any legal value, and which establishes that the Government may adopt any necessary provisions to apply Law 80 and ensure legal certainty for foreign investors and trading and economic partners.

Cuba will guarantee legal conditions and will honour all of its economic commitments to its international partners. Foreign entrepreneurs in Cuba are supported by Cuban law, international law and the legislation of their own countries.

We will not stop defending the principles of multilateralism, and will advocate for a rules based multilateral trading system that respects the sovereign decision of each State to choose its own economic and social development system. We therefore call on Members to halt this irrational escalation and this policy of hostility and aggression that has turned into an economic and trade war not only against my country but also against others.

We will not allow for multilateralism to continue to be hijacked and for the law of the jungle to be re-imposed.

17. Singapore

It has been 11 weeks since I joined the WTO family, and this is my second Informal TNC meeting. Allow me to share three observations from a new comer's perspective.

First, contrary to what some pundits have said, the WTO is far from dying or dead. For example, a senior fellow of the Council on Foreign Relations pronounced that the WTO "has been dying a slow death for a long time". In fact, he even declared that "8 March 2018 was the day the WTO died". I will leave it to you to find out what happened on that day. But based on my limited experience over the past 11 weeks, the WTO is far from dead. This is evidenced by the fact that various Members have tabled numerous proposals since our last meeting on 27 February with the aim of moving discussions forward on a number of important issues. This is a welcomed development and we encourage Members to continue coming forward with constructive proposals. The proposals that have been tabled cover a wide spectrum, ranging from those under the fisheries subsidies negotiations and the Joint Statement on E-Commerce Initiative, to Norway's paper on development, as well as additional proposals by Japan, Brazil, Chinese Taipei, and Thailand on the Appellate Body. These are clearly vital signs of life in the WTO.

But not being dead is quite different from being "alive and well", which is my second point. For the WTO to advance from being merely alive to regaining its vigour and vitality, the entire WTO Membership must play its part. In this connection, every Member, in particular those that had raised concerns which led to some of the proposals being tabled, must shift gears and begin to engage constructively. It is only through constructive engagement that is geared towards strengthening the ability of the WTO to negotiate, monitor and adjudicate that the organization can revitalise itself.

Third, if our common desire is for the WTO to be "alive and kicking", we must, as the Director-General have said, step up the pace of work, given that the Twelfth Ministerial Conference in Kazakhstan is barely twelve months away. As such, we must begin to engage in serious conversations about what we want to achieve at MC12 and more importantly, how we are going to get there. Achieving concrete outcomes at MC12 will require a concerted effort by the entire WTO Membership to find constructive solutions. It will require Members to engage constructively in order to achieve compromise, cooperation and consensus. While every Member will naturally be driven by national interests, we must avoid pursuing our narrow national interests at the expense of the WTO, so that we can achieve progress in important areas such as agriculture, fisheries subsidies and E-Commerce. Equally important, we must continue to uphold the inclusive character of the WTO, by paying special attention to developing Members and LDCs, as well as conducting outreach to key stake holders. In this context, Singapore will be hosting the 10th RSIS-WTO Parliamentarian Workshop from 11 to 13 June 2019. This is the tenth anniversary of the Workshop which is intended to enable regional legislators to deepen their understanding of the WTO and engage in international trade issues. We will be happy to provide an update on the workshop at the next Informal TNC meeting in July.

To close, I reiterate my wish for the WTO in 2019, which is that amidst the heavy calendar of activities and meetings, we will not lose sight of our common objective, which is to use the WTO to sort out trade problems, to promote trade and development to improve the lives of our people and to ensure that the WTO does not lose its relevance by being able to address new challenges.

18. India

State of Play

It is a matter of concern that since March 2019, there is little progress and the organization is heading towards a crisis. We are disappointed at the absence of active engagement of the Member holding appointments to the Appellate Body hostage on proposals for resolving the Appellate Body impasse. Further, the attack on the right of developing countries to special and differential treatment, and efforts at differentiating amongst them can further erode trust and push the organization into a deeper chasm.

In this background, let me share my thoughts on some important issues.

WTO Reforms

We would like to reiterate that while there is a need to make the WTO more effective, it is equally, if not even more important, to take everybody along. Therefore, there has to be a balance in the reform agenda by addressing some of the longstanding demands of developing countries. We stand ready to work with other like-minded Members to make specific proposals to facilitate this. Further,

we would like to emphasise that getting the Appellate Body on its feet and preserving the independent dispute settlement system of the WTO needs to receive urgent and undivided attention.

Negotiating Agenda

Agriculture can be the engine of progress if mandated issues like finding a permanent solution for public stockholding for food security are taken forward with focus and determination. On the other hand, burdening the CoA SS with growing demands for additional information and endless debates with the objective of wriggling out of past commitments, is clearly a recipe for failure.

We are committed to working for a fair and equitable agreement on disciplines on fisheries subsidies. However, we need to be mindful that any solution which rewards Members, who are major subsidizers and are largely responsible for the current state of affairs will be self-serving and unacceptable. The MC11 decision on fisheries subsidies clearly mandates that there should be appropriate and effective special and differential treatment for developing countries. This needs to be honoured in letter and in spirit. We will be introducing a proposal shortly to carry forward the work on this issue.

Electronic Commerce

We already have a multilateral programme on e-commerce agreed to by Ministers at MC11 which we will pursue. In our view, going against this exploratory mandate and starting negotiations on e-commerce strikes at the very roots of the multilateral system. Further, most developing countries are not ready for binding rules in this area. India is preparing by drafting a national e-commerce policy which seeks to use India's data for its own development rather than allow its value to be appropriated by others. It also proposes to preserve our flexibility of imposing customs duty on electronic transmissions to protect domestic industry and leverage technology for creating jobs and wealth, by ensuring competition and a level playing field. We are also keen to assess the extent of sacrifice of revenue involved and the distribution of this loss among Members when new technologies like additive manufacturing will result in electronic transmissions cascading and many dutiable goods being manufactured by digital printing. Further, we fear the impact of some of the e-commerce rules being proposed under the Joint Initiative on e-commerce, on existing trade rules, particularly the GATT tariffs which protect our industry and GATS schedules that provide us useful flexibilities. Both the GATT & GATS could wither away due to the onslaught of the so called 'high standard' e-commerce elements.

Conclusion

The topmost priority has to be a reform agenda that is balanced and inclusive, solves problems that we face in the WTO rather than that which imposes additional burdensome obligations. At the same time, we need to protect and preserve the dispute settlement system at the WTO. Moreover, preserving special and differential treatment for all developing countries and LDCs which is a core principle of the WTO as well as addressing the asymmetries in Uruguay Round Agreements should be an over-riding priority.

19. Peru

This is my first statement at a Trade Negotiations Committee meeting, as I only recently took up my duties. I therefore wish to express my own personal willingness and that of my delegation to work with the Director-General and all the Chairs of the Negotiating Groups.

Just over 15 days ago, it was the 25th anniversary of the WTO's founding agreements, which include 20,000 pages that were negotiated over several years. Therefore, with the uncertainty threatening the future of the multilateral trading system, I consider it appropriate to highlight the value of this organization by recalling part of the statement made by Mr. Peter Sutherland, Director-General of the GATT and the first Director-General of the WTO, in the Trade Negotiations Committee meeting held on 12 April 1994 in Marrakesh when he submitted his report to the Ministers for the adoption of the WTO's founding agreements.

In this statement, Mr. Sutherland underscored that the establishment of the WTO together with the World Bank and the International Monetary Fund created the stability and balance necessary for a structure fit to bear the weight of the future. He also emphasised that the WTO must take a lead in

setting the trade policy agenda and specified that the active role adopted by the WTO did not mean the imposition of one point of view or another.

Mr. Sutherland highlighted that the WTO must not merely wait for crises to prompt action after the event and that the organization could only succeed if it based its work on consensus and respected the fundamental principle of non-discrimination. At the end of his statement, Mr. Sutherland said that the achievement of the Uruguay Round could be summed up by the word "opportunity", and explained that the WTO agreements represented opportunities to expand trade, economic growth and employment. More importantly, these agreements meant opportunities to promote sustainable development and global economic cooperation.

I have recalled part of the statement delivered by Mr. Sutherland as I consider that his vision continues to be relevant when it comes to valuing the potential of this organization despite the time that has passed. The full statement by Mr Sutherland can be found in document MTN.TNC/MIN(94)/4.

Twenty five years ago, Peru and many other Members, inspired by the WTO's founding principles and rules, implemented reforms to liberalise trade and establish ourselves in international markets as a means of achieving higher levels of development. Since then, the challenges that we face in pursuing trade opportunities still outweigh the significant benefits obtained. We therefore continue to believe in the objectives and founding principles of the WTO.

However, we must recognize that, in the last 25 years, major and dramatic changes have occurred at the global level, which have transformed the way in which we trade, as well as the economic situation of Members. The WTO cannot ignore this reality and must adapt in order to fully achieve its objectives without giving up on its principles.

In the highly integrated world in which we live, protectionist or unilateral trade measures, however legitimate they may be, and trade distorting national policies and government practices that support the competitiveness of domestic industries in order to capture markets, clash with the objective of consolidating a multilateral trading system that contributes to the creation of economic prosperity for all.

This being said, I would like to highlight a few considerations on constructing the path ahead.

First, the strengthening and improvement of the WTO is the responsibility of all Members, not only of those with a high economic or trade capacity.

Second, we consider that discussions on the challenges faced by the multilateral trading framework must be held within this organization even as part of informal processes provided that they are conducted in a transparent and inclusive manner without prejudice to efforts made outside the WTO.

Third, we need to improve or create the mechanisms necessary to ensure the full implementation and monitoring of the commitments made.

Fourth, we must encourage informal and flexible formats of work in order to step up the negotiations on priority issues for Members. Fisheries subsidies, agriculture and domestic regulation of services must be a part of these efforts.

Fifth, it is necessary to agree, as soon as possible, on an agenda of emerging issues that includes the valuable efforts made regarding e-commerce, the integration of micro, small and medium sized enterprises into international trade, the facilitation of investment for development, and trade and women's economic empowerment.

Sixth, the path ahead must include, as a matter of extreme urgency and high priority, the restoration of the Appellate Body to full operative capacity, through the appointment of the missing members. Peru therefore thanks the Members that have submitted proposals to address the functioning of the Appellate Body and encourages Members to increase efforts to respond to these proposals and reach agreements to overcome the impasse as soon as possible.

Lastly, I reiterate my own personal willingness and that of my delegation to move forward with our work and Peru's commitment to the strengthening and improvement of the WTO.

20. Argentina

We consider that the most pressing situation is that of the Appellate Body. We appreciate the efforts and dedication of Ambassador Walker and we congratulate Members on their involvement as reflected in the proposals circulated and the discussions held. We trust that we can achieve concrete results before our organization loses an essential piece of its structure. The scenario in world trade becomes more complex and challenging every day and this is why we insist on strengthening its mechanisms that are operating.

Another deadline that is rapidly approaching is the one relating to fisheries subsidies. There is no need to elaborate on this. The fact is that, as the recent meeting of the Committee on Subsidies and Countervailing Measures showed, almost half the Members are behind in submitting their notifications for 2017. Having clarity on programmes under way is a necessary first step if we are truly committed to reaching an agreement on new rules dealing with subsidies that are harmful to the sustainability of fisheries resources.

The above aspects are part of the reason why Argentina, together with other co-sponsoring Members, continues to work actively on the proposal on transparency submitted to the Council for Trade in Goods.

No less important for a net exporter of agricultural products such as Argentina is the agricultural reform process. The subject is of vital interest for the majority of Members and regions. An incremental agreement on the domestic support pillar, with the emphasis on the most distorting subsidies, and on other spheres has been long awaited and could even have a positive impact on other discussions.

Lastly, we are grateful for the communications that have been circulated recently in the context of the Joint Statement on Electronic Commerce. Argentina understands that working together is the best way to address such a rapidly growing global phenomenon.

21. United States

I want to thank the Director-General for reminding all of us of the re-commitment our Ministers made during MC11 to our existing notification obligations under the Subsidies Agreement.

The subsidy notification that Ministers re-committed to provide is due by 30 June which is less than two months away.

While these subsidy notifications represent one of the most fundamental transparency obligations that we as Members have. Unfortunately, almost half of all Members did not submit their subsidy notification in 2017.

One Member recently pointed out at the Subsidies Committee meeting that there is no WTO requirement that such notifications be complete. This view is unfounded. Timely and complete notifications are a fundamental obligation of WTO Membership.

Transparency is an important area for improvement across the board, but these subsidy notifications are particularly critical for the fisheries subsidies negotiations – the WTO's only ongoing multilateral negotiation.

If a Member cannot submit basic information on its fisheries subsidies programs, it raises significant questions as to how that Member would be able to effectively implement any new disciplines on their fisheries subsidies.

We urge all Members to take this Ministerial recommitment seriously and submit complete notifications in the coming weeks. We view this upcoming notification deadline as an important litmus test as to whether Members truly want a WTO that can negotiate new outcomes.

We also want to draw Members' attention to the upcoming notification deadline contained in the Trade Facilitation Agreement that affects developing countries seeking to utilise the special and differential treatment contained in Section II of the Agreement.

Notifications of developing country Category C commitments, those establishing the self-determined implementation timeframes for TFA provisions, are due no later than 22 August 2019.

The Agreement does not provide for any overdue or late status for these critical notifications and therefore we urge all Members to remain mindful of the approaching deadline and the consequences for failing to notify.

The Trade Facilitation Committee has been tracking the progress of Members' compliance with both Section I and Section II TFA notification commitments. Unfortunately, the number of missing submissions remains unacceptably high.

The TFA Agreement calls for the WTO Secretariat to remind Members of this deadline no later than 22 May 2019 and we urge the Secretariat to undertake its responsibility expeditiously. But ultimately it is the responsibility of Members to ensure that the TFA works as it was envisioned and negotiated.

The United States appreciates the renewed focus across the WTO on how all Members can better fulfil their existing notification obligations.

We believe that improving transparency through existing WTO notification requirements is the kind of institutional reform that is necessary to facilitate future negotiations across negotiating topics, and is a worthy and desirable outcome in the near term.

To advance this work, the United States and other proponents are continuing discussions with all interested Members on further improving the current proposed General Council Decision on Notifications.

We look forward to constructive Member engagement in the near term. I remind all that we are discussing existing WTO obligations, not new commitments. Fulfilling these commitments can help put the WTO on a path towards a more successful and sustainable future.

22. Egypt

As the countdown for MC12 has started, we remain concerned by the fact that little progress had been achieved. We urge the entire Membership to work constructively and collectively in order to achieve credible outcomes.

In this vein, I would like to briefly address the following issues:

On Fisheries Subsidies, we believe that priority should be given to the following points:

- Identifying the scope of the ongoing negotiations to ensure that subsidy prohibitions do not apply to: aquaculture fisheries activities; and inland fisheries.
- Appropriate and effective special and differential treatment for developing and least developed Members shall be an integral part of these negotiations.
- Identifying the possible options for the incorporation of fisheries subsidies disciplines into the WTO legal system. I would like to highlight that Egypt has recently introduced the different approaches and the specific options regarding cross-cutting issues that we have in this regard in order to illustrate the legal value of each option and its relationship with the DSB besides the procedural aspects pertaining to it.

On Agriculture, we appreciate the information exchange and technical discussions taking place on the margins of the CoA SS. However, we reiterate our position that efforts in the upcoming period should be focused on addressing the domestic support pillar as the main source of imbalance in the AoA as well as the specific elements for which there are clear Ministerial mandates including PSH, cotton and SSM, with a view to deliver concrete outcomes by MC12. Egypt also remains of the view that NFIDCs should be given specific measures especially flexibilities within agriculture negotiations in order to tackle their food security concerns.

On reform, we would like to underline the following points:

- Regarding improving transparency, we believe that the proposed approach by some Members in the CTG is not the best way to deal with this complicated issue. In our view, following a more cooperative & gradual approach is the way forward as many developing countries struggle to comply with their notification obligations mainly due to the institutional challenges and capacity constraints related to their level of development. To better formulate this approach, the following elements, amongst others, need to be considered:
 - A comprehensive review of the notification requirements in all the WTO agreements by the respective committees to ensure they are not unnecessarily complex or burdensome.
 - A comprehensive assessment of the current notification-related technical assistance and capacity building schemes.
- The improvement of the WTO and preserving its core values and principles will benefit the entire Membership of this organization and the global economy. Therefore we believe it is important to set up priorities in the reform process and to have consensus among Members on how to arrange them. We also believe that the reform process should be gradual, transparent and inclusive.
- I would like to express our deep concern regarding the huge number of proposals and initiatives under the reform agenda. My delegation, like many other delegations from developing countries and LDCs, face a big challenge, given our limited resources in Geneva and in Capitals, to follow the regular work of the organization committees in addition to the work of Negotiating Groups. Hence, we call on the entire Membership to give this important issue due consideration.

Finally on Accessions, we invite all Members to support African countries in the process of WTO accession, and urge Members to desist from making unreasonable requests on African acceding countries to extend any commitments made as a result of their Membership to the AfCFTA or that are inconsistent with their levels of development.

23. Chinese Taipei

I will refrain from taking the time to repeat our own particular views on aspects such as the Appellate Body, transparency, e-commerce, domestic regulation and fisheries subsidies. We have already expressed these on multiple occasions and they remain unchanged since the last TNC. What I want to focus on here is the big picture – the holistic issue of WTO reforms.

The subject of WTO Reform has been high on the agenda for a very long time and yet – and I am sorry to say this – relatively little has been achieved. Despite the worthy attempts of some Members to explore various possible ways forward, the fact is that a huge diversity of views on key issues still remain.

When we look more deeply into the potential issues before us, our observations are as follows:

Some Members may hold the view that the existing WTO rules cannot sufficiently address the new challenges, and anyway some of the issues have persistently existed for so many years. As a result, whether intentionally or unintentionally, some Members do take advantage of the loopholes of our existing rules. Take notification for example: one of the most basic obligations. Although every Member recognizes the importance of notification in strengthening transparency, the actual compliance with notification requirements is inadequate. Another example: government subsidies. Our existing rules on SCM may not be sufficient to deal with modern-world subsidies that are not directly related to exports or imports. So, if such loopholes exist that consistently allow some Members to take advantage, and some systematic unfairness therefore arises, then we can probably all agree that some reform of the rules is needed.

However, even if we all agree that rules reform is necessary, some will always insist that Member-specific dimensions need to be taken into account in deciding what kind of reforms should be made. In particular, special consideration should be given to the diversity and complexity of the whole Membership. We recognize Members' rights to introduce measures that address their own domestic

challenges or achieve their own domestic goals. This kind of complexity and diversity is also legitimate.

So reform-concerns and diversity-concerns are both sensible but this does not mean that we have to be stuck on those points. We must not lose sight of the big picture. Members should bear in mind that the WTO is established to facilitate fair and free trade, according to the Marrakesh Agreement. Thus, sustaining a level playing-field and a fair and free trading environment in our opinion is the real bottom-line of this organization. So, while there may well be a huge diversity of domestic concerns across the whole spectrum of Members, the bottom-line is that the variety or diversity argument cannot justify measures that lead to persistently unfair trade. For instance, if "all other Members except X notify their regulatory measures, so that X takes advantage of all the other Members' self-restraints", this would not be fair or right and should not be justified by the diversity excuse.

Basically, what we are saying is that we believe it is in every Member's interest to think hard about the balance between the reform argument and the diversity argument right now. Perhaps this might just help us to move forward in a more constructive manner.

I do hope you will see this as a practical way of pondering the WTO's present problems (as it is intended), rather than just some philosophical narrative.

24. Barbados

It is clear that although there appears to be work ongoing in some negotiating bodies, the negotiating pillar continues to be the victim of paralysis in other bodies.

Despite this, our resolve for multilateralism and this organization's ability to deliver on multilateral outcomes, particularly in areas of critical interest to small vulnerable developing countries, remains firm. The issue of development both as an overarching principle and as embodied in the notion of special and differential treatment for developing countries and LDCs is sacrosanct to the foundation of the WTO and therefore for us is paramount to the conclusion of any outcomes in this organization.

As we continue to reflect on what elements we may wish to insert under any package called WTO reform, we take pause to reiterate a few cardinal principles which are core to our future work. For us, our work must be transparent and inclusive. It must also ensure that the rights and obligations of countries like Barbados are not undermined or threatened. Additionally, we must seek to ensure that levelling the playing field rises above the theoretical and demonstrates a real and lasting commitment which ensures that the vulnerable amongst us are fully integrated into the multilateral trading system. This is particularly important today as technological advancements evolve the way and the substance of what we trade and redefines trade in itself.

We took careful note of the discussions within the WTO over the last few months and as recent as this week. What remains clear to us is that in the course of our work between now and December, it will be important to take the necessary actions to ensure that we reinvigorate our work within the context of the 1998 Work Programme on Electronic Commerce and that we place specific emphasis on the development component. This will require us to move beyond mere rhetoric and to engage in discussions on substantive issues of interest to developing countries. It must however be a Member-driven process, in other words, the onus is on those who consider there to be value in the discussions under the Work Programme to ensure that these issues are placed on the table for discussion. It will also mean that there must be meaningful engagement in these discussions from all WTO Members if we are to remain faithful to what was multilaterally agreed to by our Ministers on the Work Programme at MC11.

Barbados is disappointed that we must again express our concern about the situation in the Appellate Body. We therefore continue to urge all Members to employ the requisite political will to find a solution to unblock the impasse on the selection of Appellate Body members and to launch the selection process to fill Appellate Body vacancies. Barbados is committed to continuing the discussions on this matter in a solutions-finding mode.

In closing, Barbados supports the statements delivered by Trinidad and Tobago and Jamaica on behalf of the CARICOM and ACP Groups respectively.

25. Chad (LDCs)

I am taking the floor on behalf of the LDC Group. Firstly, I would like to thank the Director-General for convening this meeting of the Trade Negotiations Committee and for presenting us his report on the status of the negotiations under way.

The LDC Group would like to thank all the Chairpersons of the various Negotiating Groups for their reports on the trade-related topics that they address. The discussions in progress on various subjects of importance for the LDCs have intensified in recent weeks – since the start of the year.

In particular, on the question of agriculture, several technical sessions have taken place in the context of working groups on the various pillars relating to agriculture. We would like to take the opportunity to thank the Chair of the Committee on Agriculture in Special Session for the initiatives which he has taken to achieve progress on this major issue. However, it is clear that despite the richness of the exchanges and technical quality, the respective positions of the parties remain the same overall. Given the little time that remains before the Twelfth Ministerial Conference and wishing to avoid the mistakes of the past we should seek to focus our efforts on the results that can be achieved in 2020.

Hence, in the LDCs' view, priorities should include the substantial reduction of trade distorting domestic support in agriculture generally and in cotton in particular. The focus should be on eliminating the aggregate measurement of support in the domestic support pillar.

In addition, it is essential to find a permanent solution to the issue of public stockholding for food security purposes. Priorities should also include a decision to be taken on the special safeguard mechanism. It should be recalled that these last two points raised in the context of the reform of trade in agriculture are the subject of Ministerial mandates.

Hence, we urge Members to engage fully and constructively in the process of achieving results on these aspects.

Lastly, the LDC Group awaits an appropriate response to the concerns raised by our Group – at the last CoA SS held this week regarding the overlap of meetings of the working groups on agriculture with other meetings – in order to facilitate greater participation in discussions.

Regarding the question of negotiations on fisheries, the LDC Group reiterates its goal of reaching a decision by the end of the year that solves the problem of illegal, unreported and unregulated fishing, taking account of the importance for us to develop artisanal and subsistence fishing, and sustainable exploitation of our fisheries resources. Moreover, the LDC Group welcomes the active engagement of all Members in the negotiations on fisheries subsidies.

In this context, we are awaiting the next session, which will take place next week, to further explore opportunities for convergence on the texts being drafted. The LDCs' text forms an integral part of the sixth version of document TN/RL/W/274. We are going to consider the possibility, as are other Members, of making additional contributions in respect of the informal process and that of the facilitators.

Furthermore, the LDC Group would like to express its deep gratitude to the WTO Secretariat, the Rules Division, and in particular Ms Clarisse Morgan, as well as to the other departments of the Secretariat, for the work done with our Group aimed at establishing a fund enabling officials from our capitals to come and participate in the negotiations on rules. In this regard, we would like to express special thanks to Norway and New Zealand whose delegations are the first to have committed to contributing to the fund. We would also take this opportunity to appeal to other Members to make contributions to this fund dedicated to LDCs.

We hope that after your official launch of the fund, we will be in a position to mobilise the Secretariat to enable our officials to participate for the first time next June.

As regards the issue of services, the LDC Group wishes to thank the Members that gave their support for holding a session next October dedicated to the implementation of the LDC services waiver. We will pursue the consultations launched with the various Members that have notified preferences.

Regarding the question of WTO reform, the discussions have greatly intensified with a multitude of proposals tabled. We have duly noted the recent submissions and we thank those who have continued to discuss the question with LDCs in particular at the recent LDC retreat. Examination of this issue is continuing within our Group.

That said, we reiterate our call to find a solution as quickly as possible concerning the appointment of judges to the Appellate Body in order to avoid obstructing what constitutes the relevance and uniqueness of the WTO and of the multilateral trading system.

The issue of special and differential treatment is of vital importance for the LDC Group. It represents a pledge to build our capacity for becoming more integrated in world trade, for achieving our development goals, for benefiting more from our rights and for meeting our obligations. Special and differential treatment within the WTO is a key component of a system that is more just, equitable, inclusive and transparent.

All S&DT provisions must also have the capacity to become more operational and effective – in accordance with Paragraph 44 of the Doha Declaration – in continued observance of the WTO's founding principles. The LDC Group would like in particular to commend the commitment of the Chairperson of the Committee on Trade and Development in Special Session and we give him our full support for the resumption of negotiations in this Committee.

Regarding the issue of electronic commerce, it is essential to follow the instruction given by the Ministers in 1998 as part of the establishment of the Work Programme on Electronic Commerce to continue discussions on the issue taking into account the economic, financial and development needs of developing countries and to produce a report on the progress of the work programme and any recommendations for action.

LDCs are sensitive to the issue of electronic commerce in that the potential advantages for strengthening the performance of our enterprises and our participation and integration in world trade are recognized.

The LDC Group constantly aspires to speed up the economic and social development of its Members – through trade – in order to overcome the situations of poverty that affect the majority of our populations.

We therefore need a WTO that serves this objective and we need the full support of its Members to ensure that the drafted texts help us to graduate from LDC status and that we can receive flexible support until we are able to establish sound and sustainable development for the well-being of our societies.

26. Brazil

Let me start with the AB process. There have been intense discussions under the Walker process in the last few months. A total of four new proposals on guidelines have been presented and discussed. They are welcome additions that show the commitment of Members in trying to find a way out of the current deadlock. We need now to turn this commitment into action.

Brazil has circulated a proposal – co-sponsored by Paraguay and Uruguay – which will be discussed at the next General Council meeting next week. We believe it sets a path that can lead to the timely resolution of the issue – that is, before December 2019. It deals with the practice rather than the rules themselves and only to the extent that they are hampering the effectiveness of the dispute settlement system.

On the broad WTO reform process, we remain committed to engage constructively. As we have been making it clear in these last few months, we are ready to contribute ambitiously to all aspects of the WTO reform. There is one point however that must be reiterated – a WTO reform that does not include agriculture is unacceptable to Brazil. This is clearly the most obvious unfinished business of this organization.

The test will be Nur-Sultan next year. We cannot envisage an outcome at MC12 that does not include agriculture. Brazil has discussed with a number of Members the idea of plurilaterals in SPS or in specific agricultural sectors. Domestic support should also be considered as a possible deliverable.

There has been a lot of debate on subsidies in the industrial sector but we have to keep in mind that subsidies in agriculture particularly AMS and de minimis are equally distortive subsidies that should be discussed horizontally.

Finally, regarding e-commerce, Brazil has circulated its proposal for the discussions under the Joint Declaration on E-Commerce as document INF/ECOM/27. The proposal states our commitment to a free, open and trade enhancing Internet. We hope that it will contribute to a constructive discussion on 13 May.

27. Chile

We have already entered the fifth month of this year. Time presses on relentlessly and today we find ourselves once again at a General Council meeting tasked with reviewing the WTO agenda which contains a number of reoccurring issues to which we have yet to find solutions.

Major challenges lay ahead of us, most of which involve improving our capacity for understanding and, in particular, agreeing on tangible outcomes in areas of international trade.

Chile reiterates its trust in multilateralism and the multilateral trading system with the WTO at its heart.

At this stage of the year, we have already received a number of proposals on WTO reform in the areas of notifications and transparency, and mediation and rules of origin, and particularly concerning the reform of the dispute settlement system. Chile thanks all the proponents of proposals and welcomes the concern expressed for the improvement of our Organization.

We also welcome the major efforts made by Ambassador David Walker, who is leading the discussions in the special sessions of the General Council regarding the reform of the dispute settlement system. Chile has decided to co-sponsor the proposal put forward by Japan in document WT/GC/W/768/Rev.1, together with Australia. We hope that more Members will fully understand this proposal and will add themselves to the list of co-sponsors.

We consider that the process led by Ambassador David Walker already provides a good basis for consensus. We hope that we will see new developments concerning the course and future stages of this process.

The delegation of Chile will never lose its spirit of cooperation or give up on its search for consensus. We are true friends of the system and we have demonstrated our belief in the WTO not only in our statements but also in our attitude and tangible commitment since the establishment of the organization.

This month, the meeting of APEC Ministers Responsible for Trade known as APEC MRT will be held in Chile. We are making all the arrangements to ensure the success of this meeting which has always had a prominent place on the multilateral trade agenda. We draw attention to and welcome the presence of the Director-General at the 2019 APEC MRT meeting which will take place in Viña del Mar, Chile.

On 20 February, Chile, Mexico, New Zealand and Panama in the context of our proposal to hold exploratory discussions on market access for services contained in document JOB/SERV/282 circulated a communication on tourism and related services at the Special Session of the Council for Trade in Services in document JOB/SERV/286. We invite everyone to participate actively in the discussion on this issue which is of interest for a great many Members – developed and developing countries alike. We also encourage all delegations to circulate documents on certain areas of interest regarding market access for services.

Similarly, we continue to enthusiastically support the negotiations on e-commerce based on the joint statement issued in Davos.

As regards agriculture, we wish to express our support for the work carried out by the Chair of the Committee on Agriculture in Special Session, the Ambassador of Guyana, John Deep Ford, who has made a dedicated effort to move this process forward. We consider that setting up small thematic groups will bring greater dynamism to the negotiations on domestic support, market access and

export competition with a view to achieving an outcome at the next Ministerial Conference. In light of the foregoing, I would like to take this opportunity to emphasise the importance of the agricultural negotiations in the multilateral trading system and also the importance of ensuring that the entire Membership contributes constructively to these negotiations.

Concerning fisheries subsidies, we would like to express our country's interest in making further progress in this important negotiating process. We observe that much remains to be done to fulfil the mandate of our Ministers who called upon us to agree on comprehensive and effective disciplines that prohibit certain forms of fisheries subsidies that contribute to overcapacity and overfishing, to eliminate subsidies that contribute to illegal, unregulated and unreported fishing and thus to meet Target 14.6 of the Sustainable Development Goals in December 2019.

Lastly, with regard to development, we support the joint declaration that will be made by several Latin American countries at the General Council meeting next Tuesday.

28. New Zealand

Thanks to Members for their condolences for the terror attacks in Christchurch. I understand that overnight a victim of the attacks died of his wounds bringing the death toll to 51. We also extend our sympathies to the people of Sri Lanka following the terror attacks that took place.

Collectively, we have spent quite a lot of time in this room over the past couple of years talking about the systemic and existential challenges facing our organization and the multilateral trading system. This of course is appropriate. The challenges are real and the consequences if we fail to adequately address them are significant.

The consequences of failing to resolve the Appellate Body impasse in particular are well known, and I would not canvass them here. Like others, New Zealand is focused on the urgent need to identify solutions to the issues at hand.

But the opportunities facing us are equally significant.

Firstly, we have an opportunity to collectively act and work towards meaningful WTO reform that benefits all Members, not just a select few. We are starting to see tangible ideas emerge. All of us have a stake in this and all of us need to be invested in improving how the organization does its business.

Secondly, the negotiating agenda presents opportunities for us to show that we can still deliver on issues that matter for our stakeholders.

Fisheries subsidies present the most immediate and significant of these opportunities. Some progress has been made in terms of ideas and proposals being put forward but as the Director-General and the Chair have urged, we need to accelerate our work. We have less than seven months left to meet Ministers' expectations. We need all proposals on the table so we can consolidate and move towards intensive negotiations before summer. Achievement of an outcome in line with SDG 14.6 will send a strong message of our commitment to keeping this organization relevant.

We also have an opportunity and an obligation to deliver a meaningful and substantive outcome on agriculture at MC12. For New Zealand, that means a focus on removing harmful trade and production distorting subsidies. We must seize the opportunity. A failure to achieve an agricultural outcome at MC12, particularly when we did not at MC11, would impact the credibility of the WTO. A substantive reform outcome to allow producers everywhere to compete on a more even basis is vital to enhance the sustainable development prospects of all Members and would help build confidence in the continuing importance and benefits to the system.

Joint Statement Initiatives, particularly on e-commerce and services domestic regulation, are gaining momentum and provide an important opportunity for the WTO show its relevance and responsiveness to real 21st century issues.

From the e-commerce process, we expect resulting disciplines to build trust and facilitate digital trade, enhance regulatory coherence and lower barriers thereby making it easier for Members of all

sizes to take advantage of the opportunities offered by digital trade while safeguarding the interests of consumers.

The domestic regulation disciplines under consideration for services will help provide certainty for providers entering markets and reduce barriers to trade with benefits for service providers and consumers alike.

The opportunities are clearly in front of us. We must not allow the systemic challenges facing us to detract from our continuing efforts to demonstrate the relevancy of this organization and our commitment to delivering for our stakeholders.

29. Thailand (ASEAN)

Thailand delivers this statement on behalf of ASEAN.

ASEAN recognizes the various challenges currently being faced by the WTO, leading to the questioning of the relevance of the organization in global trade. We also note the increasing discussions and calls for the reform of the WTO including the relevant proposals that have been circulated on this matter.

In this regard, ASEAN would like to share our views on some key issues being discussed with regard to the WTO Reform as follows:

We believe that the issue regarding the impasse on the Appellate Body selection process is the most critical and in need of an expeditious solution. ASEAN will continue to be supportive of the Informal Process on matters related to the Functioning of the Appellate Body led by Ambassador David Walker. We also thank all proponents of the various proposals and reiterate our willingness to play a constructive role in pushing for concrete outcomes to address the concerns raised. We reiterate the need to launch the Appellate Body selection process as soon as possible.

On the issue of trade and development in relation to the WTO's rule-making efforts, we reiterate that the development dimension is a core principle of the WTO and urge Members to avoid polarised debates and take up constructive and pragmatic approaches to tackle the issue of S&DT in a thoughtful and holistic manner.

On matters related to transparency, ASEAN fully supports the objective to enhance transparency and notification records in the WTO. However, we recognize the wide divergence with regard to the approach to achieve such objective. We therefore urge Members to find creative and pragmatic approaches that reinforce trust amongst Members and enhance positive engagement in this area, and to arrive at a consensus.

ASEAN strongly believes that it is a collective responsibility of all Members to help WTO remain relevant and effective. We therefore look forward to engaging actively and constructively on the issue of WTO Reform.

30. Thailand

Thailand believes that achieving a meaningful outcome on our negotiations would be imperative for the WTO and the multilateral trading system.

We remain committed to deliver negotiated outcomes on Fisheries Subsidies by the end of this year, and welcome the recent submissions of new proposals as well as increased engagement from Members in this area as reported by the Chair of the Negotiating Group on Rules. In this regard, we look forward to positive developments in the fisheries subsidies negotiation in next week's cluster meetings.

We also view Agriculture as an issue of utmost importance and that meaningful outcomes in this pillar should be an important part of our package at MC12. With approximately one year until MC12 in Nur-Sultan, we support all efforts to move quickly into negotiation mode.

On the WTO Reform, Thailand reiterates its views on key discussions in line with the statement that we have just delivered on behalf of ASEAN.

Nevertheless, we would like to highlight that the critical issue on the appointment of the Appellate Body members needs to be resolved as a matter of urgency.

Thailand therefore supports the informal process led by Ambassador Walker. We also note with appreciation the efforts by Members in coming up with concrete proposals in this area. In the spirit of contributing to the process, we have also contributed in the form of the proposal WT/GC/W/769 and would like to thank all Members for their interests in our proposal. Thailand will continue to play a constructive role in the discussions as we press for a concrete outcome on this critical issue.

Lastly, Thailand would like to express that we welcome the progress in the discussion on E-commerce Joint Statement Initiative and look forward to constructively participating in the upcoming negotiations.

31. Russian Federation

The organization we belong to is one of the key institutions of global economic governance. It is the cornerstone of the global trading system. In Russia's view, the WTO provides the best framework to tackle systemic trade issues in a transparent and fair manner. This also relates to the dispute settlement system of the WTO which we can potentially improve having in mind that it has no viable alternative.

Russia is deeply concerned about the current trade tensions and damaging effects of unilateral measures. The greatest threat to the multilateral trading system comes from Members losing faith in it as a valuable and time-proven instrument regulating international trade and settling trade disputes for the benefit of all, not just a select few.

It is impossible to predict all the risks and calculate all the damage caused by the collapse of major international trade pacts. One thing is clear: if we allow the WTO to fall victim to the current crisis of multilateralism, global trade governance will be set back by almost 25 years. Without clear rules established and upheld by this organization, history suggests that international trade could easily break down, paving the way for rampant protectionism.

We live in very turbulent times. Figures published recently show that trade fell by 1.8% in the first three months of the year compared to the previous 3-month period. This is the biggest quarter-to-quarter plunge since May 2009. If we allow the risks to the WTO materialise, these negative trends could lead us directly to the most profound economic crisis since the US Great Depression.

The WTO is not without flaws. The organization should adapt to the changes in the world economy to stay effective and relevant. We once again call upon all Members to work together to support the system we have.

Let me now give the Russian assessment of the current state of play in key negotiating areas.

In fisheries subsidies negotiations, we note a positive movement towards intensification of flexible working formats with the help of facilitators. At this stage, Members have to engage in a creative mode and realistically adjust their ambitions. In particular, due consideration should be given to situations where domestic policies in the fisheries sector may require adjustment of current levels of support under proper fisheries management.

In agriculture, we welcome the increased Members' participation. However, the process should not become an academic information-building exercise. We hope to see Members' substantive engagement through their contributions. For Russia, domestic support remains one of the priorities as we move towards MC-12. We need more creative and innovative ideas on this way.

We are also very encouraged to see the progress made so far on MC11 joint initiatives such as e-commerce, investment facilitation, MSMEs and women's economic empowerment.

I would like to encourage Members to engage constructively and pragmatically. Only solution-oriented approaches will support our efforts to strengthen the WTO that we value so much.

32. Republic of Korea

As I emphasised at the last meeting held in February, the WTO has a lot of work at hand this year. Without a doubt, the Members worked actively to make progress and Korea engaged constructively with other Members in this regard. Let me briefly touch upon such efforts.

First, regarding the fisheries subsidies negotiations, I believe the Members made best efforts to achieve positive progress through the three cluster meetings held this year. However, the differences in positions are still at large while the timeline is edging in closer. In this context, Korea duly takes note of the call from the Chair of the Negotiating Group on Rules at the last cluster meeting that the time is passing and inter-sessional work would need to be intensified. Korea would also like to urge Members to provide up-to-date notifications of fisheries subsidies as re-committed by the Ministers at the MC11.

Second, regarding negotiations on trade-related aspects of electronic commerce, a number of proposals were submitted by various Members. I believe these proposals will work as good discussion starters. And I hope that they will be discussed in a constructive manner in the meetings to be held until July. As we stated in the past, Korea expects a high standard outcome in e-commerce. I would like to re-emphasise that Korea is willing to take an active and constructive role in relevant discussions. Korea is in the process of preparing a proposal and looks forward to sharing this with broader Membership in the near future.

Third, CoA SS recently wrapped up its first round of scheduled work for this year. I would like to send my appreciation for the efforts put forth by the CoA SS Chair and the coordinators for the seven Working Groups. Korea hopes to see this type of open and frank discussions continue so that confidence can be built among the Members.

Last but certainly not least, the lingering question of prolonged vacancy in the Appellate Body still remains to be answered. The informal General Council process on Appellate Body issue is entering its sixth month of operation and many proposals were submitted by the Members during this time. However, it would be much more encouraging if all Members could actively participate in this discussion and converge on possible solution and options. Preparing a compilation that sums up the proposals submitted by the Members could be considered.

We do not have much time on our hands, whether it is for producing negotiated outcomes for MC12 or for saving the Crown Jewel of the WTO from paralysis. I urge all Members to work actively and constructively with each other in a realistic, pragmatic and balanced approach as if the time has already reached the eleventh hour.

33. Paraguay

Paraguay firmly believes in the multilateral trading system. We are aware that this is the time to find concrete solutions and intensify efforts to achieve results at the next Ministerial Conference. In this regard, allow me to express the following priorities and concerns:

With regard to WTO reform, Paraguay considers that discussions on possible reform must be inclusive and transparent and that the development component must be respected as a fundamental principle and right of Members. We must preserve special and differential treatment for Members who really need it.

With respect to the functioning of this organization, we repeat our profound and systemic concern regarding the current situation of the Appellate Body and we support the process led by Ambassador Walker to find a negotiated solution. The priority of the entire Membership must be to restore the Appellate Body to its full capacity and launch the process for selecting its members without further delay. In this regard, we have co-sponsored WT/GC/W/767/Rev.1 – "Guidelines for the Work of Panels and the Appellate Body" – with Brazil and Uruguay. This document has been circulated and will be presented at the next General Council meeting. We consider that this proposal contains interesting elements for drawing positions closer and overcoming the current impasse.

With regard to the agriculture negotiations, we would like to thank Ambassador Ford for his efforts in driving the technical discussions in the Working Groups – enabling more dynamic exchanges between Members – but there is still a long way to go.

My delegation is convinced that the best option for an agreement must be in the form of a package since a comprehensive result is the way to ensure that the agreement is satisfactory for everyone. We want an ambitious result in domestic support that envisages a ceiling for trade distorting domestic support and greater liberalization of agricultural markets – issues that have remained outstanding since the Uruguay Round. Market access is the pillar of agriculture negotiations with the greatest potential for creating benefits for all Members of this organization especially developing countries that are agricultural producers.

With regard to the participation in the various joint initiatives, as a landlocked developing country, we view with great enthusiasm the WTO's potential for contributing to the regulation of cross-cutting components of trade facilitation which will make it possible to design a set of rules and instruments to facilitate the integration of our MSMEs, small producers, women entrepreneurs and creative industries in international trade.

As a signatory to the second joint statement on electronic commerce signed in Davos on 25 January 2019, we reaffirm our commitment to supporting the process of negotiation regarding trade-related aspects of electronic commerce. Our experience at the national level has taught us to find mechanisms to overcome the challenges that we face as a "digitally landlocked" as well as a geographically landlocked developing country. Electronic commerce is the future of trade and a fundamental tool for facilitating it. Let us participate constructively in designing rules that make it possible to spread its benefits and to integrate our MSMEs, women and young entrepreneurs in the global economy. In this regard, we hope to make an active contribution in the initial substantive discussions that will take place in mid-May and in successive working sessions.

In conclusion, Paraguay is a resolute defender of the multilateral trading system. We consider it possible to overcome this systemic crisis with a strong political will combined with technical work by us all and to envisage a stronger and more efficient WTO, one that is capable of achieving better results for the whole Membership while ensuring that international trade flows in the smoothest, most predictable and most open way possible.

34. Norway

The various reports paint a relatively modest, if not bleak picture of the state of play in the negotiating pillar of this organization. Prospects for progress in most files are limited.

Fisheries subsidies represent a significant exception. Members are actively engaged and committed to finding multilateral results. We have a strong political mandate and an ambitious deadline at the end of 2019. Now is the time to agree on a common approach to designing the various disciplines. We support the intention of the Chair of the Negotiating Group to involve Heads of Delegations to provide direction, and Norway stands ready to engage constructively.

Furthermore, we expect to receive valuable political guidance from upcoming meetings at Ministerial level in different configurations. Let us join forces and look for ambitious and meaningful solutions that implement SDG 14.6 in the WTO. An important immediate step is for all Members to adhere to the Ministerial Decision from MC11 by submitting complete and timely notifications of fisheries subsidies by 30 June.

The CoA SS had useful discussions this week but we believe more time and discussions are needed before Members have a common understanding on the best way forward towards incremental progress.

Activities under the various joint initiatives also represent elements of optimism. The upcoming start of negotiations on e-commerce is an important step in making this organization more relevant to the challenges of today's world economy. We are grateful to the co-conveners Australia, Japan and Singapore for their relentless efforts.

On a more general level, Norway believes that our ability to achieve multilateral outcomes would be significantly enhanced by a more solution-oriented and practical approach to trade and development, inspired by the many different ways development concerns have been addressed in the past. We will come back to this issue next week as we have submitted a paper to the General Council with the document symbol WT/GC/W/770.

Prospects for progress in the negotiating pillar cannot be seen in isolation from what is happening in other pillars. We are encouraged by the active engagement of many Members in efforts aiming at making this organization more effective. The rules-based multilateral trading system is worth safeguarding. And the best way to safeguard it is to improve it – constantly.

Furthermore, we are supportive of efforts aimed at strengthening Members' compliance with agreed rules. Transparency is fundamental and delivering on notification requirements is indispensable for the follow-up of existing agreements but also as a basis for negotiating new rules – for instance on fisheries subsidies.

It should however be noted that transparency and notifications are not the only principles and obligations that need to be respected. Norway remains concerned about the current trade tensions, the lack of respect for fundamental principles and the potential damaging effects of protectionism and unilateral measures.

Many Members have engaged actively in the search for a sustainable solution to the current crises related to the dispute settlement system. It is our belief that this response deserves recognition and that the process to fill the vacancies in the Appellate Body should be initiated without further delay.

35. Pakistan

Pakistan appreciates the efforts of all colleagues aiming to preserve and strengthen the multilateral trading system.

On fisheries subsidies, Pakistan believes that there now remains a very small window in which Members can achieve transformative change for the world's oceans and the livelihoods of many coastal communities. If negotiations reach a successful conclusion, Members will reignite confidence that multilateral cooperation can achieve global outcomes. We are happy with our progress so far but we also believe that we need to shift gear to a more focussed text-based negotiation since the deadline is fast approaching. We welcome the effort put in by Members in submitting new submissions and will continue to participate constructively in upcoming discussions.

We would like to express our satisfaction over the process being followed by the Chair of the CoA SS in Agriculture negotiations. The working group process was helpful in triggering technical discussions in a frank manner among the delegates. We support the continuation of this configuration but would like to deepen the discussions in a problem-solving mode. We are hopeful that such focused discussions will in turn help generate new solutions and ideas.

Pakistan has strongly and consistently been calling for an end to the Appellate Body deadlock. We have engaged actively in the process led by Ambassador Walker and indicated our willingness to consider proposals that are made in a good faith effort to resolve the impasse. However, considering the urgency of the matter, it is high time we move towards achieving an outcome through that process. To reiterate our stance, any proposals that compromise the independence and integrity of the AB cannot be supported. Linking the resolution of the deadlock to conversations about the overall reform of the WTO would also not be helpful as it will only delay this urgent matter.

On the larger issue of reform, it has been our consistent view that, any reform should have developing countries at its centre and must be geared towards addressing their needs. Reform should not, at any cost, alter the fundamental principles of the WTO. It is unfortunate that the concept of development has come to be questioned. Insofar as trade and development are crucially linked, questioning this fundamental concept cannot lend to positive progress.

36. Turkey

On the current situation at the WTO, since the last TNC and General Council meetings, there has not been positive signs of easing tensions and finding a way forward that will be conducive to overcome the current overall deadlock at the WTO.

Just like some others, Turkey is also following the bilateral efforts by Members. Bilateral arrangements may contribute to ease tensions to some extent. But we need sustainable solutions for the multilateral system.

As we said before, Turkey recognizes that the WTO and its agenda should be able to adapt to the changing realities. We also recognize that this will be a very comprehensive discussion. The issues are contentious.

There are some proposals and initiatives on improving the effectiveness of the WTO through reform.

However, there is not a common understanding on how they all come together or how we should move forward. We are concerned that this may set the stage for further polarization.

The integral parts of what was agreed in 1994 is now coming to the table as separate issues. We should recognize that many countries become nervous in the face of this momentum for a variety of different reasons.

Current agenda of the WTO as mandated by Ministers should not take a back seat. A genuine attempt to arrive at an understanding on how we should move forward with these discussions will be important.

We remain seriously concerned about the Appellate Body. The urgency is on overcoming the crisis at the Appellate Body. We must start the selection process for the vacancies of the Appellate Body without further delay. The current process and the proposals serve as a good basis on resolving certain issues concerning the functioning of the dispute settlement system.

Commencing the Appellate Body selection process should not be linked to resolving other matters. We should ensure the functioning of the Appellate Body. We stand ready to do our part and invite all to do the same.

On Fisheries Subsidies, the clock is ticking. The working group meetings have provided valuable opportunities to overcome divergences. Technical discussions are definitely at a better place. Through this process, if we are to meet the deadline, compromise will be the key determining factor. We are ready to achieve a balanced outcome in the end taking into consideration different needs of Members especially developing countries.

On Agriculture, we truly appreciate the efforts of the Chair to further intensify discussions. This process helps maintain the discussions on key negotiating topics alive and mitigate the divergences. A development-oriented and fair outcome in agriculture negotiations that will address the existing imbalances and level the playing field in agriculture trade will contribute to the effectiveness of the multilateral system.

Regarding the Joint Statement Initiative on E-Commerce, we welcome the progress registered and the text-based proposals with varying levels of ambition. We urge Members to engage with a view to finding a common ground with in-built flexibilities that will enable Members with different levels of development to participate in the process.

Turkey will be an active participant. What we seek is mainly a "balanced outcome" that provides for comprehensive provisions that affect both trade in goods and services.

Briefly on Domestic Regulation, we are also very pleased with the work that has been undertaken in developing disciplines. As a staunch supporter of good regulatory practices and bearing in mind the trade restrictive effects of domestic regulations, we invite all Members to take part in this process. We attach great importance to have a deliverable at MC12. We call on all Members to focus on solving all remaining issues.

Furthermore, we would like to reemphasise that the issue of movement of natural persons is as important as other areas that need new disciplines. Mode 4 is an essential component of services. It should not be neglected at a time when mobility issues are high on the global agenda.

37. Uruguay (Informal Working Group on MSMEs)

Since the first meeting of the Informal Working Group on MSMEs on 22 February, that was reported in the last TNC-HODs meeting, we have organized a Workshop on Cybersecurity on 26 March and several meetings of the working groups, specially addressing two issues: (1) a better way to

systematise the information provided on MSMEs by Members on their TPRs, on a voluntary basis, of course and (2) how to build an electronic platform with useful links and information on MSMEs.

I would like to remind the Membership that on 16 May we will have a workshop organized by the Mission of Romania titled "SMEs digitalization and global e-commerce from a business perspective".

Let me recall once again that on 27 June we will be celebrating MSMEs day. While we are still planning activities with the cooperation of some Members, we already have an event in the morning co-organized by the Federation of Small Businesses of the UK and the Informal Working Group on how to facilitate trade for MSMEs.

In the afternoon, the Informal Working Group on MSMEs, the Republic and the State of Geneva, the Sustainable Finance Geneva and the ITC will mark MSMEs day with an event on "Big money for Small Business". The agenda will be circulated soon.

38. Uruguay

Uruguay would like to thank Ambassador John Deep Ford for his continuing efforts to advance the negotiations in agriculture. In this regard, we express our support for the continuation of the working group process, and also for the idea of increasing the pace so as to move on to the negotiation stage as soon as possible.

Recalling Article 20 of the Agreement on Agriculture which recognizes that "the long term objective of substantial progressive reductions in support and protection resulting in fundamental reform is an ongoing process", further to the adoption of the Nairobi Package in 2015 and the absence of progress at the last Ministerial Conference, we should not allow two Ministerial Conferences to happen without achieving results in agriculture. We therefore urge Members to make every effort to achieve concrete results in this extremely important sector with the aim of greater liberalization of trade in agricultural products during the next Ministerial Conference in Kazakhstan.

39. Plurinational State of Bolivia

The paradox of globalization in the 21st century is that despite all that is said about its flexibility, effectiveness and competitiveness, advanced economies and developing countries are more fragile, slow and fractured. The delegations talk about a reform process which formally has never started nor has it been discussed. If a reform is necessary at the WTO, it should be a reform to see its Members reach a new multilateral agreement aimed at ensuring greater democratic, fair and sustainable international economic integration.

In this regard, the Doha Declaration provides the roadmap and S&DT should belong to the elements that underpin the work of our organization. S&DT is not fully implemented. When looking at the proposals, it is clear that the Membership is far from endorsing commitments on S&DT. We believe that it is necessary to highlight documents that run counter to the right to development. We must unite efforts which would allow us to see how, in concrete cases, we can make things fairer and more just for everybody without leaving anybody behind as we committed ourselves to do.

Landlocked countries, for example, face the challenge of increasing trade costs which undoubtedly compromises their participation in world trade. For landlocked countries, transport costs and the digital divide are greater. They depend on their neighbouring countries with coastline for broadband connection. The transport costs for landlocked countries is two-fold as compared to the costs of countries with a coastline.

As we have said at the February meeting, there were two challenges to the current multilateral trading system which could lead the WTO to institutional irrelevance: the threat to the existence of a solid dispute settlement mechanism that is based on rules and the threat of not strongly responding to the needs of developing countries in this organization.

Solving the dispute settlement problem is essential. We cannot continue going closer to the brink without devising a solution. We have seen all the proposals which are currently on the table and we have witnessed the efforts of all the protagonists involved including Ambassador Walker to try and find a solution. However, it is difficult to envision a real solution without the political will of the country that has put us in this situation.

The Preamble of the Marrakesh Agreement establishing the WTO and the first objective of the SDG, amongst many other relevant mandates, set clear guidelines on the direction of the multilateral trading system. These are elements which must be considered if we want to move forward in the different areas of the negotiations such as agriculture, fisheries and cotton.

In agriculture, we agree to continue the negotiating processes. But as we said at the last meeting of the CoA SS, work must be inclusive, open and participative to achieve a comprehensive package for the coming Ministerial Conference and not only involving transparency provisions which put greater onus on developing countries and can jeopardise their Membership. The problem in this area lies on the lack of political will. We must therefore address this issue so that all will benefit from the multilateral trading system.

We do not want to believe that there were flexibilities and exceptions for many countries and that rules were more rigorous for just a small number of countries. Maybe we should look at the poverty indices to understand that greater flexibility and more solidarity are absolutely essential.

Finally, we are concerned by the unilateral trade restrictive measures imposed by certain Members. Economic and commercial vetoes run counter to international law and we must not accept this in this organization.

40. Switzerland

2019 is a critical year fraught with many challenges. Increasing trade tensions have the potential to affect global trade. Negative effects on growth and jobs could already be noted. It is therefore crucial to address and solve current problems and challenges through enhanced cooperation and dialogue. At the same time, it is positive that many Members are getting engaged in discussions on WTO modernization or reform. This is an important and welcome development even if the approaches may vary.

In our view, the WTO is facing five main challenges:

- First and foremost concluding the negotiations on fisheries subsidies by the end of the year

Here, the WTO is tasked with making an important contribution to the SDGs. The credibility of the organization will be measured by its capacity to deliver on this clear mandate. The state of negotiations is unfortunately unsatisfactory and efforts must be stepped up if we want to meet the deadline set at MC11.

- The second challenge is to safeguard and strengthen the dispute settlement system

A robust dispute settlement mechanism is crucial for the WTO. As many other Members, Switzerland has acknowledged concerns raised about the functioning of this mechanism. Several proposals have been made to address these concerns. It is now high time to work out together what would constitute efficient and mutually agreeable solutions.

- The third challenge consists in adjusting trade rules to reflect 21st century realities and in addressing long-standing issues

What is at stake here is the relevance of the WTO. Multilateralism remains paramount and multilateral solutions shall be sought wherever possible. Nevertheless, we should be open to new ways of making progress that allow Members to pursue initiatives of interest to them.

We therefore appreciate and support the ongoing work through the Joint Statement Initiatives on Investment Facilitation, MSMEs and in particular on e-commerce as the rise of data and digital technologies calls for an update of global trade rules.

We also welcome progress made in the field of services domestic regulations. Regarding the latest discussions in the CTS SS, we are encouraged by the interest shown by many Members to discuss tourism.

On agriculture, Switzerland continues to participate constructively in the work of the Negotiating Group.

- Another challenge is to improve the efficiency of the WTO monitoring function

In this regard, we welcome the initiatives aimed at improving core features of the WTO such as transparency, notifications and the functioning of WTO Committees. Switzerland has recently initiated an informal process to discuss possibilities of establishing a mediation framework to address specific trade concerns.

- Finally we will have to agree on a new approach to trade and development

In order to drive forward multilateral negotiations, a constructive conversation among Members is needed about how the development dimension can best be pursued in WTO rule-making efforts. We welcome and support the paper prepared by Norway as it offers a good basis for a solution-oriented debate among Members.

Switzerland stands ready to devise actions for improving the system under the WTO umbrella. This is however a task of importance to all Members. We hope that all the protagonists will join this endeavour to safeguard and strengthen the system and its credibility for the future.

41. Benin (African Group)

I am making this statement on behalf of the African Group.

This meeting comes at a crucial moment given that we are only about a year away from the Twelfth Ministerial Conference – and less than a year to meet our obligations and commitments before the end of 2019. Therefore, the process leading up to all Ministerial Decisions should be predictable and reflect the guiding principles of the WTO in particular full participation, inclusivity, transparency and using the bottom-up approach, the importance of rules-based negotiations and a fair and just multilateral trading system as enshrined in the Marrakesh Agreement and the centrality of development in the work of the WTO and in all results.

The African Group would like to share with the Membership its proposals and expectations in the current negotiations.

A. Agriculture

The African Group urges Members to work decisively to achieve the following results, with a view to the necessary reform of agricultural policies around the world:

- Substantial reduction, with a view to eventual elimination, of domestic support that distorts international trade in agricultural products (total aggregate measurement of support, de minimis, blue box, product-specific ceiling, increased transparency and monitoring of support in the green box);
- Special and Differential Treatment Provision for developing and LDC Members, and net food-importing developing countries, in particular;
- Obtaining a permanent solution in public stockholding for food security purposes;
- An outcome on the special safeguard mechanism for developing countries that covers the triggering of the price or volume based mechanism without complicated requirements.

The African Group also wishes to emphasise the following:

- It is almost a year before MC12. It is therefore essential to manage our time effectively in order to achieve the desired results.
- The Working Group process should be evaluated in light of its ability to bridge existing gaps in the negotiations.
- From our point of view, this work will have to be undertaken mainly within the framework of the CoA SS with a view to introducing real reform in the Agreement on Agriculture, as

stipulated in Article 20 of this Agreement, and to achieve the Ministerial mandates that are set for us.

- The importance of completing all technical work in Geneva before MC12.
- The African Group believes that efforts in the coming period should be focused on domestic support given that it is the main source of imbalance in the AoA and unpredictability in international markets, as well as specific elements for which there are clear Ministerial mandates, including Public Stockholding for Food Security Purposes, Cotton and the Special Safeguard Mechanism, with a view to obtaining concrete results on those matters at MC12.

B. Cotton

The African Group reaffirms the need for concrete and measurable results for cotton, the leading sector of economic and social activities, and an instrument for combating poverty in several countries.

The Group welcomes the initiative to organize on 7 October in the WTO the First World Cotton Day. We hope that Members will fully participate and contribute to this event.

C. Fisheries Subsidies

In line with the mandates of Doha, Hong Kong and Agenda 2030 SDG 14.6, the African Group pursues an ambitious outcome in the various disciplines on fisheries subsidies (i.e. IUU fishing, overfished stocks and overcapacity and fishing effort) with the objective of eliminating harmful subsidies for the management and sustainable conservation of fisheries resources. This result will have to take into account the needs for the development and modernization of fisheries in African countries, as well as the contribution of this sector to their food security, nutrition and economic and social development.

The African Group has repeatedly expressed concern about the lack of clarity about the scope and implications for the ongoing negotiations and its various pillars. We have also made it clear in our long-standing position that the scope of the fisheries subsidies prohibitions does not apply to estuaries and inland waters and aquaculture activities.

The African Group supports the proposals contained in TN/RL/W/274/Rev.6 reflecting these objectives.

At the same time, we are concerned about proposals and approaches to capping and potentially reducing fishing subsidies, regardless of their nature and impact, as well as those aimed at subjecting fisheries management to higher disciplines. These approaches do not only reduce the level of ambition in the negotiations but are also a source of inefficiency on fisheries subsidies disciplines.

The Group will continue its constructive engagement towards a result in this area by the deadline set by our Ministers in Buenos Aires.

D. Special and Differential Treatment

The African Group reiterates its commitment to advance the work of the Committee on Trade and Development in Special Session and reaffirms, in accordance with Paragraph 44 of the Doha Ministerial Declaration and the Decision adopted by the General Council on 1 August 2004, that all the provisions of Special and Differential Treatment should be reviewed, with the aim of strengthening them and making them more precise, effective and operational.

The African Group and the G90 plan to submit to Members a revised text on the agreement-specific S&DT proposals as soon as possible.

We would like to focus on achieving what we expect to be a significant Ministerial result for these proposals at MC12, and we commit to working with Members to make it a reality.

E. Appellate Body

The African Group stresses the urgency of relaunching and completing the process of selecting Appellate Body members so that this central pillar of the WTO dispute settlement system can continue to play its integral role. In this regard, the process should be carried out expeditiously.

We reaffirm our proposals on the reform of the DSU and emphasise the need for any reform to integrate the interests of developing countries in accordance with the WTO's Development Agenda in order to address the concerns of capacity and development of African countries, and address structural differences, with a view to facilitating the participation of African countries in the dispute settlement system while preserving its integrity.

With regard to the various ongoing discussions on the Appellate Body and the DSU Reforms at regular and special sessions, the Group recognizes their importance and is ready to engage in further discussions on the above issues to facilitate effective functioning of the dispute settlement system.

Indeed, the dispute settlement system remains the pillar of the multilateral trading system. We therefore encourage all Members to use a solutions-based approach to resolve the impasse in the Appellate Body.

With regard to the ongoing discussions on the reform of the Appellate Body, the Group would also like to point out that useful proposals are made by Members and groups of Members on some important aspects of the provisions of the DSU. The DSU, which will need to be improved to allow the better functioning of this body, ultimately determines the compliance of Members' trade practices with the rules, principles and disciplines of the WTO.

F. Electronic Commerce

With regard to e-commerce, the African Group supports the reinvigoration of work under the Work Programme on Electronic Commerce and requests Members to continue to address e-commerce issues comprehensively within the WTO framework in its current non-negotiating context. We emphasised the need for Members, especially those who have become global digital leaders, to share their policy ideas and specific government measures used to support the development of e-commerce in their countries.

We are particularly interested in learning the anticompetitive practices of technology companies and digital platforms that can cause market distortions, restrictive business practices and tax evasion; the challenges facing sellers, innovators, producers and consumers in the e-commerce space in developing countries; and regional efforts among Members including development-related issues such as digital infrastructure, payment instruments and policies related to innovation, research and development including data flows and data localization systems.

We take note of the recent workshop on the Moratorium on Customs Duties on Electronic Transmissions and encourage Members to continue discussions on this issue in the light of the unanswered concerns raised during the workshop. In this regard, we have shared with Members and the General Council the elements to be taken into account in the revision of the analytical note or a new note by the Secretariat on the economic and financial implications of the Moratorium.

G. Accessions

The African Group calls on all Members to support African countries in the process of accession to the WTO and urges them to refrain from any unsustainable demands that they make to African accession candidate countries to go beyond any commitments made by virtue of their Membership in the African Continental Free Trade Area or which are inconsistent with their levels of development.

H. Services

We invite Members to address the growing knowledge gaps and challenges faced by African countries in their effort to strengthen their national capacity for services in all modes of supply.

The African Group remains engaged in the ongoing negotiations.

42. Benin (C-4)

I am making this statement on behalf of the C-4. The C-4 aligns itself with the statements made by the ACP, the LDCs, the G-33 and the African Group.

We like to highlight that in recent days, important work has been done for statistical analysis as well as simulations which have been carried out for cotton in the Quad+ configuration. The C-4 would like to thank Ambassador Ford, Chair of CoA SS, and the Chair of the Working Group on Cotton, Mr Daniel Costa Figueiredo who has led consultations for the production of statistical data and simulations on the basis of trade information and data provided or collected via the questionnaire produced in July 2018 by the C-4.

This important work will be able to help Members to evaluate the possible effects of different proposals and determine the possible outcomes and solutions. The C-4 recommends that statistical data collected, the data and information and the results of the simulation should be communicated to Members in order to gather their observations and comments. Members who are yet to do so are encouraged to communicate the information requested and to participate actively in the work of the Working Group on Cotton in the Quad+ format and in other configurations.

The C-4 encourages Members to continue and to expedite the work of the Working Group on Cotton and within the CoA SS as well in the same spirit of sharing and transparency and with the same level of commitment in order to find approaches that could lead to concrete and measurable solutions for the issue of cotton between now and next June.

The C-4 is pleased to announce that the first edition of the World Cotton Day will take place in Geneva on 17 October. As we all know, cotton plays a key role in many countries in the world – the majority of which are present here: Australia, Zimbabwe, Brazil, Bangladesh, China, Greece, India, Pakistan, Turkey and Viet Nam, just to cite a few. We can also add the more than thirty African Cotton producing countries also present today.

Cotton provides means of subsistence to millions of people throughout the world with direct economic and social impact particularly on poverty reduction, economic growth and economic and social development. All of this is clearly in line with the UN SDGs. The first edition of the World Cotton Day is being prepared actively with the engagement of bilateral and multilateral partners. We thank them all whole-heartedly.

The WTO in coordination with the FAO, the UNCTAD, the ITC and the ICAC has been assisting the C-4 in its preparation for this important event. This event will take place at the WTO Headquarters in Geneva. We would particularly like to thank the Director-General who has facilitated the organization of this event. We would also like to thank the FAO, the UNCTAD, the ITC and the ICAC as well as DDG Alan Wolff and Ambassador Ford for their support and their commitment in favour of this important initiative.

It is timely to highlight that the month of October was chosen to have the World Cotton Day because it corresponds to the beginning of the cotton harvest in Western African countries and also because it is the birth month of Mahatma Gandhi for whom the importance of cotton was made clear. The participation of several Heads of State and Ministers responsible for Cotton and Agriculture and other government officials will be representing the highest levels of this important event in the interest of all. We also are hoping for the participation of several international organizations and NGOs relevant to the field – representatives from academia, research sector and the private sector.

In addition to the opening plenary session, there will also be stands and an exhibition on cotton as well as a roundtable on five topics: trade, development, sustainability, technological innovation and market perspectives. Organizations representing producers around the world will be involved with partners sharing their technical experience specifically looking at the implementation of new projects for technology transfer for the development of value chains for cotton product derivatives for African producers.

The World Cotton Day will be the day for all of those who produce, process or invest in activities in the cotton value chain. We are counting on the support and cooperation of all Members in order to ensure that this event – to launch the World Cotton Day in October – will be a huge success meeting our expectations.

43. Sri Lanka

First, let me sincerely acknowledge and appreciate the messages of condolence extended to the families of the deceased and to the wounded, who are still recovering from the severe blows that struck the entire nation as whole on Easter Sunday, 21 April 2019. As we all know, terrorism in different manifestations, where no one is immune, does not have any colour or nationality. It cannot be justified, hence will need to be defeated yet again in Sri Lanka. The incidents brought massive blows to our people and the vibrant economy, but as shown in the past, we are resilient and trying to rebuild the confidence of the people and the economic sectors, such as tourism and its related services which are likely to affect in the short and medium term.

We tend to concur with what the Director-General has recently stated at a joint event organized by the WTO, World Bank and the IMF, that the current trade tensions could undermine recent progress in tackling poverty. Trade indeed has created opportunities for a billion people to lift themselves out of extreme poverty. However, the current circumstances we experience have put this progress at risk, undercutting the potential of trade.

As Sri Lanka has repeatedly mentioned in this House, in a scenario of great uncertainty, the smaller players stand to lose the most. The spill-overs of a potential trade war would affect everyone, particularly the small and vulnerable economies like us.

On the other hand, there is a risk that current events will weaken the multilateral trading system. Most of the existing rules and disciplines that we have at the multilateral trading system provide the level playing field into a certain extent on which the small economies rely. However, the poorest still face numerous challenges in joining global trade flows. It is therefore the role of each Member of this House to find ways to overcome these challenges and ensure that trade is playing its full role.

The updates as expected are projecting somewhat slow processes which are still moving in very difficult paths, signifying that all Members collectively need to ensure that the next Ministerial will not be yet another Ministerial meeting without much substantial outcomes.

Though some discussions are moving forward, we are still sceptical whether the respective Negotiating Groups carrying out their discussions under different files have time to exhaust all complex issues within the remainder of the period. This is based on the ability of many key players to demonstrate their flexibility in the key areas of negotiations. The more the WTO deviates from the original negotiating mandates established by the past Ministerial meetings, the more we get in the mess. This signifies that we need to focus on the negotiating mandates rather than re-writing them for the purpose of certain objectives which may not have much future.

Therefore, it is my delegation's expectation that Members continue to engage constructively in the upcoming twelve months so that we could achieve meaningful results at the next Ministerial Conference in Astana.

We also note that some proposals are being discussed at major WTO Committees posing undue burden on most of the developing countries in particular the Members with small delegations in Geneva and a limited number of experts on WTO issues back in capitals.

On the transparency and notification surveillance, it is not that we are ignoring the notification commitments under various WTO agreements purposefully but we are genuinely struggling to cope up with the need for such commitments against our capacity constraints. In this context, it will not be seen reasonable if these Members are confronted with severe punitive actions as proposed in some proposals on the table at present.

On negotiations, in Agriculture, we need to undertake a serious evaluation on the work progress carried out in the working groups in terms of its substance and level of convergence rather than on the number of meetings held or interventions made by the delegations or the number of technical papers presented.

The Chair's report notes that the level of ambition on different files differ. Members therefore need to focus only on the issues which demand more attention. This approach will result in further division among the Membership and aggravate more disparities – deepening the existing ones in the world trading system. Discussion on all pillars including market access covered under the Doha Declaration

should therefore continue to be on the table until we find a common ground where we can converge the negotiating positions.

With regard to ongoing negotiations on fisheries subsidies, as my delegation and many others have repeatedly stated, it is important to design simple, clear and implementable disciplines, providing due consideration to build appropriate and effective special and differential treatment provisions for developing countries. SDG 14.6 itself has recognized S&DT for developing countries as an integral part of any outcome on fisheries subsidies. Further, we should seriously engage in negotiations identifying ways and means for ensuring the confidence of small countries such as ours without leaving it to happen at the last stage of the negotiations.

We are a fishing nation which has taken drastic steps through an array of measures to combat IUU fishing by its fishing community and is working very actively and closely with the regional fishery monitoring bodies to bring disciplines on over-fishing of certain depleting fishery species. Similar to recently acceded countries which claimed to have taken onerous commitments, we are concerned that countries such as ours who have taken similar steps in the recent past would also be subjected to take additional commitments in disciplining the support being currently made available to our resource poor and artisanal fishing community.

On the E-Commerce Moratorium, we thank the Secretariat for the recently organized workshop which provided certain clarifications on the revenue implications on the moratorium decision. Countries like Sri Lanka who depend heavily on collection of indirect taxes to generate government income may have to be mindful of this implication when formulating its negotiating position on the moratorium.

44. South Africa

We align ourselves with the statements delivered by the African Group and the ACP Group.

We recognize the important role that Chairpersons play in the WTO's negotiating and regular bodies. We would like to urge Chairpersons of all negotiating bodies to act in accordance with TN/C/1 which sets out the principles and practices on the role of Chairpersons of the TNC and Negotiating Bodies. All Members views should be respected and the principle of consensus must be adhered to at all times.

Paragraph 44 of the Doha Ministerial Declaration remains the sole basis for discussion and negotiation in the CTD SS. It is ironic that the issue of development and special and differential treatment is discussed everywhere else except in the mandated body. Already, the narrative on S&DT is running ahead of the CTD SS process – and we cannot support views that S&DT should not apply to current or future negotiations or on a case by case approach. Such approaches would undermine the systemic treatment of S&DT unless a comprehensive understanding and clarification of S&DT is achieved in line with the Ministerial mandate.

We would thus have to prioritise mandated negotiations on S&DT in the CTD SS. It is also important to return to the G90 proposals and to ensure that an effective discussion is initiated before the summer break since this can further the objectives to render S&DT provisions more precise, effective and operational.

On WTO reform, there has been an enthusiastic call for the modernization of the WTO. However, despite a plethora of proposals some Members continue to advance reforms only in one direction. Many of the proposals dealing with monitoring and transparency, the WTO's negotiating function and development have serious implications for developing countries including punitive measures that tend to target countries that do not have capacity to address existing obligations, let alone take on additional ones. The premise of these proposals fundamentally alters the balance of rights and obligations enshrined in the Marrakesh Agreement and cannot be accepted. Nowhere in this debate do we hear even a vague reference to the Doha Development Round. Unless and until developing country-issues are addressed, there will be no consensus or acceptance of any of these proposals.

On Agriculture, addressing and advancing issues, notably in the areas of domestic support, PSH, cotton and SSM remain a high priority for many Members. As we approach MC12, it would be important to capture the special needs and circumstances of developing countries and LDCs in this regard.

South Africa registers its concern with the lack of progress in the fisheries subsidies negotiations. Here we are, almost half-way through the year and no significant progress has been made. New proposals advanced by proponents are unbalanced and do not cater for developing country concerns, while the issue of S&DT is largely forgotten and underplayed. We need to get back to balanced discussions on the basis of TN/RL/W/274/Rev.6. Whereas bilateral discussions have been useful, a return to full plenary mode will ensure the necessary inclusivity and transparency as we move forward.

South Africa is of the view that negotiations on e-commerce are premature. The importance of developing digital industrial policies should be a first priority for developing countries to enable such Members to make holistic policy choices with respect to the digital economy that supports inclusive growth and development. With respect to the moratorium, the implications for revenue loss and challenges with schedules and tariff policy are still being assessed. These considerations far outweigh the question about its extension.

On Services, we remain opposed to exploratory work on market access negotiations. With no progress in Agriculture, it is not possible to see any positive progress in this area.

In closing, we note that the December deadline for the Appellate Body is fast approaching, despite the informal process conducted under the auspices of the General Council, little or no progress has been registered. We remain concerned and sceptical that current efforts to address this crisis will be successful unless all Members start to engage in good faith.

45. Indonesia

My delegation reiterates its concern over persisting difficulties that this House has endured. Amongst the obstacles to advancement in our work is setting correctly our priorities.

With this backdrop, my delegation reemphasises the need for us to achieve significant progress in the Doha Development Agenda and in breaking the impasse of the selection process of Appellate Body members.

My delegation wishes to remind us all that development elements have always been an integral part of various WTO Agreements. Development elements assist developing and LDC Members among others to integrate and reap equitable benefits from the multilateral trading system.

We observe that the evolving discussion on this matter in all negotiating fronts has been frantic and divisive as well as failing to associate with the history on why Members insisted back then to have in place the development elements and hence on why we need to implement the Doha Development Agenda and on why the S&DT becomes one of the main features of the multilateral trading system.

Our current negotiations in Agriculture reflect that behaviour of deviating away from the implementation of Doha and S&DT. For that purpose, my delegation continues to stress the need for a meaningful negotiation on SSM and PSH. This House needs to work together in removing additional barriers that hinder progress in the Agriculture negotiations and address the imbalances and inequities inherited from the Uruguay Round.

While we endure receiving empty promises in Agriculture, we continue to push the finalization of fisheries subsidies prior to MC12. This House has moved and has negotiated the importance of fisheries sector to secure sustainable development, food security and livelihood of the people. But we fall short to do the same in agriculture.

Our push to finalise the process to prohibit fisheries subsidies in 2020 shall not forget the importance to put in place appropriate and effective special and differential treatment for developing and LDC Members as underlines by the SDGs. S&DT shall help the shortcomings of developing and LDC Members in balancing its obligation to contribute to sustainable fisheries and its right to develop. Moreover, lest we remiss that our goal to attain sustainable life below the water must not work in contrary with the attainment of the whole SDGs and its ultimate objective to end poverty once and for all.

We continue to raise concern over the impasse of the selection process of Appellate Body members. We highly appreciate Ambassador Walker's leadership in the Informal Process and welcomes many proposals put on the table by Members.

However, my delegation believes that the end goal of the process shall be directed efforts made to select the new AB members as this House is heading close towards dysfunction. We call on Members to renew its political will and address this problem with a sense of urgency to safeguard an open, predictable and rules-based multilateral trading system.

Finally, Indonesia would like to reiterate its readiness to be actively and constructively engaged in any necessary process particularly in finding acceptable solutions that will address everybody's interest and concerns.

46. Solomon Islands (Pacific Group)

I am delivering this statement on behalf of the Pacific Group.

On Fisheries Subsidies, the Group commends the progress of work in the Negotiating Group on Rules including the Facilitator-led discussions to explore ideas and deepen understanding on technical issues. We thank Members that have submitted proposals which have generated intense discussions. The Pacific Group has been actively participating in the ACP group work on the fisheries subsidies to ensure that our interest in fisheries subsidies are reflected with a view to submitting proposals in the future.

Fisheries is a key sector for the livelihood security as well as the economic and sustainable development of the Pacific Islands. In fact, fisheries is a pillar of longstanding regional cooperation over the years and since 2015 remains as a regional priority of the Pacific Islands Forum Leaders' agenda. Underlying this agenda is our Leaders' objective to strengthen the management of the region's fisheries resource as well as to increase the economic returns of this resource to the region. The Pacific Group therefore considers that the WTO Agreement on fisheries subsidies, if appropriately designed, would complement the region's management efforts.

In this regard, the Pacific Group remains committed to delivering on the MC11 mandate to conclude an Agreement on Fisheries Subsidies in 2019 in order to meet the deadline of the SDG 14.6. We have limited time left, with divergences on many issues still remaining. The Pacific Group will play its part and continue to engage constructively with Members in order to successfully conclude an agreement. Given the significant importance of the fisheries sector to small island developing States like us, we reiterate as we had done in previous HOD meetings, that for our Group, a successful agreement must deliver the two aspects of SDG 14.6 and MC11 mandates. These are to provide strong disciplines that target those that cause overfishing while at the same time provide appropriate and effective special and differential treatment including for small island developing states and LDCs. The latter in our view includes preserving the sovereign right of coastal States over their national jurisdictions ensuring that Members who currently have little or no capacity are provided room for growth in the future and above all must support the development of fisheries in small island developing States and LDCs in line with SDG 14.7.

On Agriculture, the Pacific Group supports an outcome on domestic support that removes the existing imbalances in agricultural trade and that enables small Members like us to effectively access markets.

The issue of Development also remains a priority for our Group. The Pacific Group remains in the margins of the global trading system given our small share of world trade. As co-proponents with the ACP Group on the G90 proposals, we stress the importance of finding practical solutions in supporting our efforts to diversify, industrialise and thereby increase our share of trade.

Finally, the Pacific Group remains committed to the multilateral rules-based system of the WTO, which provides predictability and certainty for all Members. We note the proposals that have been submitted on the WTO reforms that aim to improve the functioning of the WTO. We thank those Members that have come to explain their proposals to the Pacific Group. While we understand the rationale behind those initiatives we would like to underline that discussions should take into account the different capacities of Members, especially very small Members. We therefore call for genuine and inclusive dialogue to ensure that small Members like us are not made worse off or left behind.

Our Group also supports the statements made by the ACP and the LDC Groups.

47. St. Lucia (OECS)

This statement is being delivered on behalf of the Member States of the Organization of Eastern Caribbean States. Allow me to associate my delegation with the statements already delivered by Trinidad and Tobago on behalf of the CARICOM Group and Jamaica on behalf of the ACP.

As small, vulnerable economies, the Member States of the OECS continue to demonstrate an enduring commitment to the multilateral trading system as we believe the system provides a platform for countries like ours to unlock our development potential through trade particularly in a context where we are faced with sustained challenges associated with climate-related risks as well as other structural constraints.

It is against this backdrop that we note with regret the fragmentation of negotiating approaches between plurilateral or less than plenary approaches and the multilateral process. While we will not stand in the way of progress however achieved, our delegation wishes to affirm the centrality and primacy of rules-based multilateralism.

On Agriculture, we commend the CoA SS Chair, Ambassador Deep Ford, for his dedicated leadership. We also support the working group process adopted as a mechanism to unblock the negotiations. Agriculture remains a vital economic sector for the Member States of the OECS given its contributions to gross domestic product, employment and rural livelihood. Agriculture will also continue to be central to unlocking the development potential of the developing and LDC Members.

With these accepted understandings, we must ensure that the modalities for small economies with respect to market access and domestic support remain conceptually consistent with the 2008 modalities. Therefore, it is critical that any approaches considered allow for flexibilities for small economies. Moving forward, we must collectively have a duty to ensure that we address preference erosion from the point of view particularly of developing countries and small economies.

Regarding the negotiations on fisheries subsidies, allow me to share some procedural and substantive reflections. Procedurally, we must restate our preference that the Negotiating Group on Rules convenes at a time that does not conflict with other Negotiating Groups given the critical importance that we attach to our participation in negotiations on fisheries subsidies. The small size of our delegation does not allow us to cover multiple Negotiating Groups simultaneously.

On substance, we note the progress being made towards achieving the mandate of our Ministers as well as Target 14.6 of the SDGs ahead of the end of the 2019 deadline. However, we urge Members to take a realistic and constructive view that will satisfy the main objectives of Members namely, preserving and sustaining marine ecology and fish stocks while harnessing the economic potential of our marine resources.

With respect to reform, we welcome the leadership of Ambassador Walker of New Zealand and we appreciate his commitment to securing a favourable outcome. Notwithstanding considerable efforts deployed, discernible progress remains elusive. The good functioning of the multilateral trading system depends on a fully operational dispute settlement system. Therefore, OECS Member States urge all Members to work in a solutions-focused manner to unblock the impasse. In this regard, any updating of the dispute settlement system must preserve the independence and impartiality of the system.

On development, development remains a sine qua non for a multilateral outcome and a fundamental tenet of WTO for developing and LDC Members. Therefore, no effort should be spared to ensure that Members deliver on the legitimate development aspirations of all Members. There can be no real or meaningful progress on market access or rules without a sensible conversation on development. We can no longer ignore the elephant in the room.

Finally, we urge all Members to take positive, purposeful and outcome-oriented steps to overcoming the challenges that face this institution. We further urge Members to consider the special and unique circumstances of small economies as a key to overcoming the existential question facing the WTO.

48. Nigeria

As a stakeholder in the multilateral trading system, Nigeria believes that efficient and equitable functioning of the system will foster inclusive economic growth and generate productivity gains for all regardless of current level of development. In the light of the foregoing, we would like to share our views on the ongoing negotiations as follows:

Regarding the Agriculture Negotiations, the sector is in the heart of Nigeria and indeed most developing countries' strategy for economic transformation. It is therefore in our interest that the outcomes of the ongoing Agriculture negotiations are such that they address the apparent imbalance in the current rules and promote equitable and sustainable growth of the sector. Therefore, we wish to urge Members to:

- As a first step work towards eliminating Aggregate Measurement of Support other than the de-minimis; and
- Work towards addressing mandated issues such as PSH for food security purposes, and SSM that are of critical importance to developing countries so as to ensure meaningful and measurable outcomes.

Care must also be taken to ensure that the outcomes of the ongoing negotiations does not undermine the S&DT provisions of Articles 6.2 and 6.4 of the AoA.

On Cotton, Nigeria wishes to congratulate the proponents of the World Cotton Day initiative. We believe this initiative will further draw global attention to the challenges of poor cotton farmers in developing countries and the distortionary effects of subsidies. These subsidies continue to undermine the competitiveness of developing countries particularly LDC cotton producers. We look forward to meaningful and quantifiable outcomes that will not only curb cotton domestic support but will also spur the development of the sector in developing countries' economies.

On the Fisheries Subsidies Negotiations, Nigeria wishes to state that small scale and low technology fishing is a lifeline for a good number of households and communities in Nigeria and indeed most developing countries. These developing countries even in the presence of subsidy window lack the capacity to grant effective subsidies. We therefore urge Members to engage constructively to achieve a balanced outcome that takes into account the development needs of developing countries. In order to achieve a focused and balanced outcome, we wish to propose that discussions should focus on TN/RL/W/274/Rev.6 as mandated by our Ministers at MC11. We stand ready to engage on proposals and initiatives that seek to address the differences in TN/RL/W/274/Rev.6.

On S&DT, we take note of the various proposals on special and differential treatment by some Members. However, we wish to emphasise that S&DT is a right of developing countries enshrined in the Marrakesh Agreement. We reaffirm our position tabled at the last General Council meeting that S&DT should continue to be an integral part of all WTO Agreements so as to provide requisite flexibilities for developing countries to achieve their developmental objectives.

As a party to the Joint Statement on Electronic Commerce, Nigeria believes that e-commerce is an economic reality that is unlocking the potential of economies by triggering growth and creating wealth and jobs. However, we are mindful of the supply side constraint undermining the gains of developing countries from e-commerce. Consequently, we are in favour of a more robust dialogue on e-commerce that takes into account the development needs of developing countries without prejudice to individual Members' position on this issue and the 1998 E-Commerce Work Programme.

Nigeria wishes to seize the opportunity to underscore the importance of ensuring the effective functioning of the dispute settlement system. On the issue of the Appellate Body impasse, we call on Members to cultivate a solution-based approach to this matter with a view to uphold the integrity of the rules-based multilateral system. We are ready to engage other Members constructively towards finding harmonious solutions to the Appellate Body impasse in order to promote a sustainable dispute settlement system.

We wish to associate ourselves with the statement made by the African Group and the ACP.

49. Hong Kong, China

During the past months, we have seen heated discussions on the reform of the WTO taking place on various fronts. Hong Kong, China welcomes the reform proposals by Members to facilitate the discussions in improving transparency and monitoring functions of WTO Committees, pursuing the development dimension in WTO's negotiations and addressing concerns about the dispute settlement system. Hong Kong, China is committed to taking an active part in these discussions.

On the reform of the dispute settlement mechanism, Hong Kong, China appreciates the good faith as reflected in all reform proposals for improving the DSU and stands ready to discuss the imperfections of the WTO. We are committed to working with all Members constructively to find ways to address the concerns but we do not consider it justifiable to attach pre-conditions to the launch of selection of Appellate Body members and would urge all Members to lift the blockage to the AB appointment so as to preserve the integrity of this important function of resolving trade disputes among Members. The attempts to reform and improve the WTO and to negotiate new rules should move forward in parallel.

Turning to the joint statement initiatives, Hong Kong, China will continue to support the initiatives on e-commerce, investment facilitation and services domestic regulation which are making steady progress since the beginning of this year. We will participate actively in the discussions and would encourage more Members to join. We hope that the work in these areas will bear fruit in the coming year and lay a solid foundation for possible multilateral outcome at MC12.

50. Malaysia

At the outset, Malaysia associates with the ASEAN Statement delivered by Thailand. We also thank the various Chairs of the Negotiating Groups for their updates.

As we move into the second quarter of 2019, various efforts and initiatives have taken place to bring the House into order. The Informal WTO Ministerial Gathering in Davos saw the Ministers expressing the need to address the various challenges with a view to strengthening the multilateral trading system.

On dispute settlement, Malaysia would like to re-emphasise that the effective functioning of the dispute settlement system is a fundamental aspect of this institution. As we approach the second half of the year, there is a need for constructive engagement to address the impasse in the Appellate Body selection process. It is the collective responsibility of all Members to identify potential solutions to address the issue pertaining to the selection process of Appellate Body members.

It is crucial that Members exercise flexibilities to resolve the pending issue to ensure that the credibility of the multilateral trading system is not undermined. We welcome the various proposals in addressing the issue. In this context, we take the opportunity to record our appreciation to Ambassador David Walker in his leadership to steer the discussion at the Informal Process on matters related to the functioning of the Appellate Body. We reiterate the need to launch the Appellate Body selection process as soon as possible.

On development, on the call for strengthening and modernising the system, let us not forget that most Members within the system are developing countries and LDCs. While we move towards improving the system, development is a crucial component to ensure that all Members are able to reap the benefits. We welcome Norway's contribution in paving the way forward on the development issue that will be introduced and deliberated at the General Council Meeting later.

On transparency, we value the objective to enhance transparency and notification records in the WTO. However, in improving the mechanism, there is a need to acknowledge the fact that technical assistance and capacity building are vital for developing Members to comply with such obligations.

On other issues, we acknowledge the active engagement on fisheries subsidies but there is a need for convergence to ensure that an outcome can be achieved.

We also welcome the various on-going discussions on MSMEs and on Investment Facilitation and welcome the progress in the discussion on the Electronic Commerce Joint Statement Initiative and encourage other Members to be part of the engagement. The progress of e-commerce negotiations

will provide a significant signal that the WTO is moving in tangent with the development in the real world.

51. Bolivarian Republic of Venezuela

We recognize the efforts made by the Chairs to maintain the rhythm of the negotiations while valuing the efforts of many Members to table new proposals in an attempt to advance both in the negotiating issues and in cross-cutting themes to ensure the smooth functioning of the organization.

My delegation would like to reiterate its concern at the serious situation faced by the Appellate Body despite the number of existing proposals and the goodwill of the vast majority of Members.

I will now move on to the topic that is the highest priority for my delegation.

As is well-known, Venezuela requested the subject of the establishment of a panel against the United States to be placed on the agenda of the regular meeting of the Dispute Settlement Body that, in principle, was due to be held on 26 March 2019.

The legal provisions in question relate to certain coercive and trade restrictive measures concerning goods of Venezuelan origin and the prohibition on the provision and receipt of services which have been included in various statutes, regulations and executive orders enacted by the United States since 2014.

This meeting was not held because its agenda was blocked by the United States and the self-proclaimed "Lima Group" as part of a wider plan of action undertaken by these countries to obstruct our diplomatic efforts in multilateral forums.

Sound judgement prevailed in the analysis conducted by our authorities on the best way to respond, and we are currently evaluating the options offered by the system for defending our legitimate rights without this affecting the day to day activities of the organization.

As everyone knows, the argument that the United States is using to justify these unilateral coercive measures is the national security exception provided for in Article XXI of the GATT.

Even though it is true that this exception, in principle, would allow any Member to adopt measures contrary to the Agreement itself, this exception is not a blank cheque. Nevertheless, the position repeatedly adopted by the United States is that the concept of national security must be self-determined by each Member.

Even though the serious international tension that exists between the Governments of Venezuela and the United States is beyond doubt today, it is important to place on record that the measures in question go back to 2014, in other words, long before the escalation of the conflict.

Five minutes are not enough to explain the disastrous commercial and social effects of these measures. For this reason, we have circulated an explanatory note verbale to Members.

In conclusion, allow me to leave you with the following thought. Today the prime victim of the unilateral coercive measures imposed by the United States is Venezuela, as the continuation of a historical pattern, in which Cuba is an emblematic example. But it is fitting that we point out that it could be any other country tomorrow.

The way in which the multilateral trading system addresses the subject of Venezuela could prevent the United States from continuing with this pattern of conduct or could result in case law contrary to the interests of the next country or countries concerned.

The multilateral trading system is the most appropriate channel for working together to rectify the existing imbalances in world trade so that it can truly be an instrument for the development of all peoples and not an instrument for repression and/or subjugation. Accordingly, we are prepared to continue working constructively to strengthen the multilateral trading system.

52. Peru (Lima Group)

I am making this statement on behalf of the delegations of Argentina, Brazil, Canada, Chile, Colombia, Costa Rica, Guatemala, Honduras, Panama, Paraguay and Peru, which are Members of the Lima Group.

The Governments of the aforementioned WTO Members support the functioning of the Trade Negotiations Committee and the work ahead.

For the record of this meeting, it is important to indicate that our Governments do not recognize the legitimacy of Nicolás Maduro's regime in Venezuela or that of his representatives.

53. Nepal

I wish to align myself with the statement delivered by Chad, the LDC Group Coordinator.

Strengthening the fundamental objectives of the Marrakesh Agreement particularly in terms of raising the standard of living and safeguarding multilateralism should be our shared responsibility. Nepal is a strong supporter of the rules-based multilateral trading system.

Revitalising and making all pillars of the WTO system fully functional – namely dispute settlement pillar, trade negotiations pillar and transparency pillar – is absolutely necessary. In this regard, WTO reform is more urgent than ever. The reform process should be Member-driven and participatory. The reform outcome should reflect inclusiveness and sustainable development through a more functional and effective WTO system. We underline the importance of filling up the vacancy at the Appellate Body without any further delay.

A WTO Secretariat report noted a less than 1% share of LDCs' exports in global market and that trade preferences schemes granted by developed and developing members to LDCs are mostly underutilised. We urge Preference Granting Members and the WTO Secretariat to undertake a study so as to identify and then address fundamental causes of the underutilization.

Because of subsidies in the agriculture sector in large economies, imposition of several NTMs and limited productive and competitive capacity of LDC Members, most LDCs have turned into import markets and also into Net Food-Importing Countries.

Achieving global targets and commitments including in the 2030 Agenda for Sustainable Development and the Istanbul Programme of Action for the LDCs require enhanced productive capacity, diversification and structural transformation of LDC economies. In this context, we underline the need for meaningful and sincere implementation of all the past decisions made in support of LDCs.

Graduation of an LDC to a developing-country status is not a one-time affair. Rather, it should be a continuous process for ensuring post-graduation sustainability. We wish to thank the Members extending support to the LDC proposal circulated in WT/GC/W/742 concerning Annex 7 of the Agreement on Subsidies and Countervailing Measures. In this regard, we would appreciate the Members sharing us in writing their further queries and concerns if any.

Effective implementation of the Trade Facilitation Agreement benefits all Members. This reduces cost and time of cross-border trade through reforms in customs governance. My delegation would like to request the developed Members to notify their Technical Assistance Plan in a comprehensive way aiming to support the implementation of Category C notifications of LDC Members in a predictable and results-oriented manner.

We have been witnessing ICT revolution in full swing around the globe. Nepal is working on to address its challenges pertaining to policy and strategic front, digital and physical infrastructure, as well as payment solution in the e-commerce sector. In this regard, international support mechanisms including Aid for Trade and EIF need to be leveraged in a demand-driven way. Furthermore, we emphasise that rule-making on e-commerce should follow the existing mandate.

54. Russian Federation

I ask for the floor to invite attention of the Membership that the issues raised by the delegate from Peru fall far beyond the WTO Agreement – our negotiation mandate and well established way of conduct – and should be deleted from the minutes. The very attempt to bring bilateral political sympathy and antipathy into the WTO TNC HODs meeting is unacceptable in this House. We do believe that only the people of a certain sovereign nation State and not someone from abroad should decide who should represent them in this international trade organization.

55. Cuba

At this time, we would like to reiterate that, as stated this morning by my delegation, our country will not give up defending the principles of multilateralism and the rules-based multilateral trading system respecting the sovereign decisions of each State to choose their economic and social development models. As such, we reiterate our full support to the only legitimate and democratic government existing in the Bolivarian Republic of Venezuela – that led by the Constitutional President Nicolás Maduro. We also reiterate our support to the delegation here present and call on this House to focus on the multiple challenges that lie ahead avoiding the politization of our debates.

56. Bolivarian Republic of Venezuela

The small group of countries from Latin America are seeking to unduly politicise this forum. This is not strange as these are countries that recently supported a military coup which led to bloodshed, with military action seeking to overthrow the constitutional and democratic government of Nicolás Maduro. Happily, the majority of countries of the world condemned this criminal coup. As it is known, the Government of Nicolás Maduro is the only one recognized by the United Nations.

57. Plurinational State of Bolivia

We have been stuck and we hope that the Chair and the leadership of the WTO will maintain neutrality that should characterise this kind of session. We consider that we cannot overstep the mandate that the WTO has and we support that stated by the delegation of Russia with regard to the intervention made by our colleague from Peru. We hope that our deliberations in principle will observe the sovereign equality of States. The floor should be given in terms of equality. We see priority might be given, as was in the case of Peru, when other delegations were on the speakers' list following Venezuela. This might risk this organization assuming a non-neutral function which would exceed its mandate and is not the appropriate forum to decide on recognition. The WTO cannot lend itself to this kind of political game.

58. Director-General

I would say that I take exception with the inference that the Chair is taking sides. The two delegations asked for the floor. The moment that Venezuela asked for the floor, Peru also asked for the floor and they were in a sequence. It was not by accident that that had happened. The Chair and the Secretariat are simply following the rules of the organization. There was one more delegation after that which was Nepal that took the floor and we are following scrupulously the order that the flags are being raised.

59. Brazil

It is an honour and a privilege to sit in a meeting chaired by the Director-General. I would like to raise a point of order. A suggestion was made to the intervention made by Peru – that be not included in the report of the session. I strongly oppose that. It is a legitimate delegation. It took the floor under the rules so should we play this game of deleting things – either we play broadly and nothing is going to be included or we play broadly and everything is included. As for the delegations of the Russian Federation and Cuba, which we recognize here, I do not need to say that I strongly disagree with their views on the process but I do agree with them that this is not the place to discuss that. But one of the beauties of working at the WTO is that the use of politically charged adjectives is not well seen here. I just think that this is rhetoric which is better we keep at bay.

60. Director-General

Let me just say a few things. We will see each other next week under the aegis of the General Council. All of the statements have been taken note. Unless a delegation requests it otherwise, they will be included in the minutes of the General Council as it always has been. I also want to say that I appreciate the effort of delegations to comply with the time limits. There were few slips here and there. There was a big slip which I hope we will not see again. And I emphasise once again to group coordinators the need to be absolutely disciplined in trying to adhere to the time limits that we all have agreed.

I understand that issues have been raised which are of a highly political nature and very sensitive to all parties involved. I do not want to downplay that whatsoever. All I would like to request is for all parties involved, Members of this organization, that they please try to ensure that the regular work of the organization is not affected by that. We are, of course, in difficult times. We understand that. This is a trade organization. Let us try to maintain the conversation along those lines. I am not criticising anybody. I am just asking for the understanding of the parties so as not to disrupt the work of the organization and I ask for the understanding of everyone.

61. Argentina

This is just to support what Brazil stated – that the different interventions should be reflected appropriately – both of our own and those made by other Members.
