



General Council
7-8 October 2021

MINUTES OF MEETING

HELD IN VIRTUAL FORMAT ON 7-8 OCTOBER 2021

Chairperson: H.E. Mr. Dacio Castillo (Honduras)

At the start of the afternoon session on 7 October, the Chair welcomed H.E. Choguel Kokala Maiga, Prime Minister of the Republic of Mali on the occasion of the World Cotton Day, accompanied by H.E. Modibo Keita, Minister of Rural Development and the Minister of Industry and Trade. He also welcomed H.E. Harouna Kabore, Minister of Commerce, Industry and Handicrafts of Burkina Faso, and Cotton 4 coordinator and the Cotton 4 delegations.¹ Prime Minister Maiga of Mali and Minister Kabore of Burkina Faso addressed the General Council.² The Director-General welcomed the remarks of Prime Minister Maiga and Minister Kabore and commended them on their work to make cotton an important part of the WTO's negotiating agenda.³

The Chair bade farewell to H.E. Silvia Elena Alfaro Espinosa (Peru), and expressed appreciation for her valuable contribution during her time as Permanent Representative.

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² The full statements of Prime Minister Maiga and Minister Kabore can be found in Annex 1 of this document.
³ The full statement of the Director-General can be found in Annex 1 of this document.
⁴ The proposed agenda was circulated in document WT/GC/W/828.

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

1.1. The Chair recalled that an Informal TNC meeting and Informal Heads of Delegation had been convened by the Director-General on Thursday, 30 September. He invited the Director-General, as Chair of the TNC, to report on that meeting.

1.2. The Director-General delivered the following statement⁵:

1.3. Thank you, Chair. Let me join you in welcoming new Permanent Representatives and bidding farewell to departing ones. I have had the pleasure of receiving several of the new Permanent Representatives this past week.

⁵ The Director-General's statement was also circulated in JOB/GC/276.

1.4. Chair, I want to thank you – and thank the Membership, for your flexibility in taking up Agenda item 1 today. As you know, I am intensifying my outreach to Ministers, Leaders and Capitals trying to gear towards a successful MC12. In this context, I was in Paris, where I went to attend a gathering of trade ministers on the side-lines of the OECD. I understand this is a tradition that has happened every year and I was invited to join them. I will give a little readout of that meeting shortly.

1.5. Let me start by reporting that since the July General Council, we have held one Informal TNC/HODs meeting last Thursday – 30th September. It was evident that work has intensified in all areas since the summer break, and again this is due to the Ambassadors kindly returning as we had asked them a bit early. The Chairs of the CoA SS, CTD SS, CTS SS and NGR reported on progress in their respective negotiating areas. You, Chair, also made a statement on your efforts. All these reports were circulated to delegations in document JOB/TNC/98.

1.6. Although I found the Chairs' reports sobering, because of the persistent gaps and divisions that were evident, I ended the meeting quite a bit more heartened than when it began, because I heard Members recommit to the multilateral trading system, to the WTO and to a successful MC12. Many Members, if you recall, made James Bond analogies - and it was a relief not to hear any references to "Mission Impossible". I reiterated my encouragement to delegations to focus on and deliver on two or three outcomes at MC12, and then look at what we will be doing post MC12 on other equally important files.

1.7. Let me also note that, on Monday, we released the WTO's Trade Forecast for 2021 to 2022. We have upgraded our projection for global merchandise trade growth to 10.8% in 2021, in volume terms – up from 8.0% forecasted in March – followed by a 4.7% rise in 2022.

1.8. These revisions are certainly good news, and an illustration of trade's importance as a driver of economic recovery. But as I said in Paris this is no cause for complacency. The trade recovery remains unequal. Mirroring the K-shaped recovery in global economic output, advanced economies, and a handful of emerging markets with abundant vaccine supplies and ample fiscal space are recovering strongly, but the trade performance in much of the rest of the world is lagging behind. The forecast projects that by the end of 2021, the volume of world merchandise trade will be up 4.9% compared to 2019, before the pandemic. Over this period, Asia's exports will have increased by 14.7%. Exports from Europe and North America will have essentially recovered to pre-pandemic levels, respectively up 1% and down 0.6%. But those from Africa and the Middle East will still be down -2.4% and -7.2%, respectively.

1.9. In the weeks between now and MC12, by delivering a strong WTO response to the pandemic, we can contribute to ending vaccine inequity, which is a threat to the health and economic recovery of everyone everywhere. A successful MC12 would send a powerful signal that WTO Members are committed to using trade to help all economies rebound from this terrible crisis.

1.10. This has been the key message I conveyed in Paris and the message I intend to be conveying as I reach out to Leaders and Ministers – and you will see that in the next few weeks, I will indeed be moving around from place to place to try to shore up support in Capitals and other places for a strong and successful MC12. So, if you do not see me here in Geneva, it is because this is what I am trying to do.

1.11. Now just to say a word on Paris. There were several Ambassadors there and we also are lucky to have H.E. Rodrigo Yáñez, Vice Minister of Trade of Chile with us. I want to say that you are most welcome and hope that you will say a few words on your views of what transpired in Paris.

1.12. I will first say a word on the ambience and then on the substance. With respect to the mood and the ambience, I think that many Ministers – and there were almost 19 Ministers and Vice-Ministers present, which is quite a significant number - were glad to meet each other in person for the first time in a long time. And some were new, so obviously they were even happier to meet colleagues that they have only seen by Zoom. Several were also represented by their Ambassadors. It was a very good atmosphere. I have to commend the Minister of Trade of Australia, The Honourable Dan Tehan, and his Ambassador George Mina for an excellent organization of this meeting. There was a strong collegial spirit that emerged and I could feel present in the room. That is not to say that Ministers did not state their differences or were not clear that there was still work to do. But there was really a very constructive atmosphere in the discussions.

1.13. I provided an update of the state of play of our work, with respect to our road to MC12. Based on that, the Honourable Minister from Australia divided the discussion into four segments according to the different topics (i) WTO reform (ii) Trade and Health – WTO Response to the Pandemic (iii) fisheries subsidies and, (iv) agriculture. These were the main areas that we discussed.

1.14. Without going into too much detail, I will summarise by saying that there was a constructive atmosphere and an emerging convergence to try and deliver a successful MC12. There was a mood that whilst we had problems, there is a chance to positively work on several items to try to deliver them. I think top of that agenda was the WTO's Response to the Pandemic. And it was recognised, as was discussed, and mentioned yesterday by Ambassador David Walker, that time is coming to bring the two strands of the TRIPS Council discussion as well as the other work that Ambassador Walker is bringing together based on the submissions of the Ottawa Group, Chinese Taipei, Brazil and others and the work done by Ambassadors Tan Hung Seng of Singapore and Cheryl Spencer of Jamaica – together in one piece. And thank you Ambassador Walker for that very illuminating and comprehensive read-out of the work you are doing to add the TRIPS issue to it, because it is all part of the same package. I think there was an emerging agreement that we should bring this together and the recognition that we need to go to MC12 on the Response to the Pandemic with that package – that we cannot leave the TRIPS issue behind. And I want to really say that and put it on the table. That means that we have to work very hard to try to find a pragmatic solution, as I keep saying, to the TRIPS Waiver issue. This is not something we can leave behind. So, in that respect, it means we have to work really hard in the remaining few weeks to try to hammer out an agreeable compromise on that issue. And very often I am asked "do you think that there is such an agreement that can be reached" and the answer is "Yes, I do, but it is for Members to try to work this out". We are there to help and support in any way they wish. Certainly, there was a will by Ministers to see this happen.

1.15. On fisheries subsidies, there was also quite an extensive discussion. It is true and it still emerged that there are Members who do not yet feel the text is balanced in the way that will enable them to go to text-based negotiations. But there was tremendous support and will to get this done. Again, I want to say that the work that has been done by Ambassador Santiago Wills was well recognised. And whilst not shying away from the difficulties, I think the emerging consensus was let's try to get this done – it has been 20 years, and 20 years is too long. So, the issues for instance of – what do we do about S&DT? How do we tackle that issue? Are the disciplines strong enough on the big subsidisers? - are all issues that we need to sit around and try to hammer out, in addition to a few other problems or issues which are there. But can we do it, again? Certainly, if we wish. I just want to convey to Ambassadors that there was a willingness to try to get it done on the sides of all the Ministers that were there. And, in fact, the Norwegian Minister also began to offer up some of the ways we could do that based on what Ambassador Dagfinn Sørli had put on the table at last week's TNC.

1.16. On agriculture, there was a recognition that this is probably the most difficult, where we are furthest away. There is a lot of work to be done to come together with something that would be acceptable at MC12. But again, I would say that the spirit emerged to have a basic package and a strong work programme – following that with specifics and not just mentioning the word work programme – but to put some teeth in it, and timelines. And I hope we can work hard on this. One issue that I mentioned in my remarks was the need to be cognizant of the impact of the pandemic on low-income and low, middle-income countries, and the need to take into account this issue when we think about food security and what it means. This is a real issue that these countries have to deal with. So again, urging that we try to come to some agreement there.

1.17. And the last but not the least was WTO Reform. I think what emerged was that there is a will to work on these reforms, but we still need to understand what it means. There are different views of what reform is and what it should be. Of course, one aspect that came out prominently was the dispute settlement system. But there again, we need to have a bottom-up process of talking to each other, discussing with each other, trying to see (i) what we all mean by reform of the basic functions and, (ii) what process we need to put in place. I think two Members, the European Union and Brazil have made proposals, but again, there is a need to discuss all of this in an organic fashion and try to come up with an approach for work that will be done post MC12. So, I think this was agreed.

1.18. Finally, on the Joint Statement Initiatives, the progress that has been made in each of those and what could be put in for MC12 was also reported and I think was well received. So, let me leave it there, Chair. Thank you for giving me the opportunity. We have many people who were present, so if I have mischaracterised what happened or misrepresented it, please feel free to speak up or to

add. I must say that I left the place highly encouraged by what I heard and saw and the participation of Ambassadors who were there was really on-point. So, I hope we can take that spirit and make it work. Thank you.

1.19. The Chair thanked the Director-General for her report and echoed her call to do whatever could be done to ensure success at MC12. He did not expect a long discussion under this item and noted that statements made at the TNC meeting of 30 September would be reflected in the minutes of this General Council meeting.⁶

1.20. H.E. Rodrigo Yáñez, Vice Minister of Trade of Chile delivered the following statement:

1.21. It is important and an honour for me to participate in this General Council because, as you have well briefed from the perspective of Heads of Delegations, and as a politician that comes from the capital, it is very important to share my thoughts regarding the informal meeting where I participated last Tuesday.

1.22. First, I want to start by thanking the authorities of the WTO, the Chair of the General Council and all of you, Ambassadors, for your efforts towards having a successful MC12.

1.23. Like you well said, Director-General, the meeting in which we participated last Tuesday was positive both in the ambiance and in the substance, sharing our views on the discussions that we should have towards a dynamic exchange of ideas for a successful MC12, in terms of the response to the pandemic, fisheries subsidies discussions, and the reform of the WTO. I want to stress and highlight the consensus in Paris regarding the relevance of the WTO as a key player in contributing to our economic recovery and in the response to the pandemic.

1.24. Also, MC12 must have deliverables and responses from the multilateral perspective in the four priority areas identified by the DG, which have been confirmed by the Membership; certainly, the compromise to work both in Geneva and in capitals towards a successful MC12.

1.25. What I want to stress is that there was a strong political commitment for this process, I saw engagement from the Ministers and Heads of Delegations present there. It is very important that this extends to the full Membership of the WTO. What, to me, resonated the most was that these political commitments need to translate into consistency with the work that is being carried out here. Also, it takes flexibility from both parts and I saw that happening with many key players. I saw Ministers thinking or putting themselves into an endgame mode towards MC12 and to put engagement and political commitment to carry out this task. In that sense, Director-General and General Council Chair, count on Chile's commitment - but I am pretty sure that this extends to other Members of this organisation - for a successful MC12. We are committed to make the discussions at the political level consistent with the decisions and the discussions here in Geneva.

1.26. The representative of Canada delivered the following statement:

1.27. I wanted to initially ensure the DG and the room that this was an accurate recapitulation of the Paris meeting. I also wanted to congratulate Australia for hosting a very successful meeting. It went very long and that is a good sign that there was a lot of engagement. Thirdly, I wanted to welcome the Vice-Minister of Chile here. I think it is very useful. One of the things that we know intrinsically, but which also came out of the meeting, is the need for political engagement and engagement from capital. It is great to have that engagement from the political level here in Geneva itself. Welcome, and thank you for your comments.

1.28. My final comment coming out of all these discussions is that we, as an organisation and a Membership, have a number of important questions to ask, not just with respect to substance but also with respect to process and how we get over the finish line. How are we going to do that

⁶ The Director-General's report and the reports of the Chairs of Negotiating Bodies at the 30 September Informal TNC and Informal HODs Meeting were circulated in document JOB/TNC/98. They are reproduced in Annex 2 to this document. Annex 3 reproduces statements by Members at the 30 September Informal TNC and Informal HODs Meeting.

between now and MC12? I would encourage all of us to think about how to move these processes forward.

1.29. The representative of South Africa delivered the following statement:

1.30. We also want to give a bit of reflection on the meeting that took place in Paris. I share the sentiments that Ministers were ready, engaged on all the issues that were discussed and it is really a call on all of us to engage with a view to find solutions. The WTO's response to COVID-19 was the main issue that Ministers spent a lot of time on. Of course, the other issues are important, but I think that, given the time that they spent on this, that sends the message that they understand that this is an issue where the WTO will be expected to give a response. As the Director-General said, there was an understanding that there is a need for all the aspects on trade as well as Intellectual Property to be delivered, in terms of a comprehensive package. To me, what that means is that we need to really engage here, in Geneva, to assist our Ministers to deliver a credible outcome.

1.31. The representative of India delivered the following statement:

1.32. Thank you, Director-General, for your summing up of what happened in Paris. Let me reiterate these points. First, on food security, what the Director-General has also touched upon, if we move to a new Work Programme and ignore the Work Programme agreed and mandated in 2013, 2015 and during the 2014 General Council, there is a question of credibility of the WTO. We already have a Work Programme for accelerated delivery on a permanent solution to public stockholding, so I will again request Members to constructively engage on this subject and deliver the final outcome at MC12. On the WTO's response to the pandemic, we reiterate that Intellectual Property came up during the discussions held in Paris and that Ministers are willing to engage on this aspect. Once again, I request that Members please engage on IP-related aspects of the response to the pandemic. There, I have a request for the Chair of the TRIPS Council and the Facilitator Ambassador David Walker to please sort this out, so that the WTO's response to the pandemic includes IP-related challenges. On fisheries subsidies, my only request is to refrain from using the phrases "taking forward" or "taking backward" by the Chair. Therefore, it is requested that all Chairs of negotiating groups should not be judgemental on Members' proposals and it should be left to the Members to decide whether we are going forward or going backward.

1.33. The representative of Norway delivered the following statement:

1.34. Thank you, Chair and thank you to the Director-General for her accurate report from the gathering in Paris, which I concur with. The spirit of support for the multilateral trading system, the spirit of support for tangible results at MC12; but still with the realisation that we cannot do everything at MC12. We have to have some continued discussions on key issues beyond MC12, in particular on reform. But also, a very strong political message from capitals that it is time to compromise. We heard that in particular in relation to the discussion on the pandemic and also in relation to - perhaps the most difficult issue before us - the TRIPS issue. Ministers noted the positive signals of the flexibility from key delegations and optimism that a pragmatic solution would be within reach. On fisheries subsidies as well, there was broad support for an assessment that the current text on the table has the elements in place that could bring us to a reasonable landing zone, but that it would require some compromises from all sides, realising that the current text does not represent the primary position of any Member, but that an agreement is within reach with the necessary political flexibility. The challenge now is to transcribe this capital-based willingness of flexibility into the negotiating rooms here in Geneva.

1.35. The representative of Australia delivered the following statement:

1.36. Thank you Chair, thank you Director-General, thank you Vice-Minister Yáñez for being here and for your account of the meeting which I think was very helpful, as was the Director-General's. Director-General, thanks for your remarks to Minister Tehan, which I will pass on of course. This is a longstanding tradition to use the political presence in Paris every year. But this time was different. We have not had an injection of political energy for years here. So it was particularly rare and special. As Norway has said, as we enter the end game, compromise is necessary. Compromise is difficult for us all here without our political masters, and I think we saw some of that magic play out in Paris. As Vice-Minister Yáñez has said, the challenge is how do we keep it here, how do we inject it here? The only thing I would add to this discussion is that we must keep our Ministers continually engaged

in coming weeks with us as we seek to translate that will that they demonstrated so clearly in Paris to conclude.

1.37. There will be an occasion next week where some of them are gathering in the G20 and there will be, of course, other opportunities. I think it is important that we keep them continually engaged in these four key issue areas, so that we know that they are going to offer the right kind of backing for the flexibility we need to deliver. Thank you for your comments, Chair.

1.38. The General Council took note of the report of the Director-General.

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

2.1. The Chair recalled⁷ that the item remained on the agenda so that the General Council could continue to follow up, in a horizontal and transparent manner, on the Ministerial decisions adopted in Bali, Nairobi and Buenos Aires. His report that day was based on the information provided by the Chairs of the regular bodies on the implementation work taking place further to Ministerial mandates in their respective areas, and focused only on those issues where there had been developments since the July meeting of the General Council. For the areas he did not mention that day, the report delivered in July stood. For some issues, including the Work Programme on Small Economies and the Work Programme on ECommerce, there would be separate items later in the agenda.

2.2. Regarding the Moratorium on TRIPS Non-Violation and Situation Complaints, in the context of the TRIPS Council's consideration of that matter, there had been no new substantive developments. In consultations on this item on 6 October, Members had largely reiterated their known positions regarding the applicability of NVSCs in the TRIPS area generally. The item would once again be on the agenda of the following TRIPS Council meeting scheduled for 13-14 October.

2.3. There were a few matters to report in the area of Agriculture. In particular, concerning the Ministerial Decision on Public Stockholding for Food Security Purposes, the notifications by a Member invoking the Decision for the breach of the de minimis limit for rice for the marketing years 2018/19 and 2019/20, had been subject to review by the Committee on Agriculture, including at its latest meeting in September.

2.4. As regards the follow-up to the Bali TRQ Decision, Members had been engaging to find a solution to the outstanding issue of the future operation of paragraph 4 of the underfill mechanism, within the agreed deadline of December 2021. There were some concrete textual suggestions on the table to that end. Considering the end of the year deadline and the progress that had been achieved thus far, at the September Committee meeting the Chair of the Committee on Agriculture suspended the discussion on that item, with the intention to reconvene the meeting when an agreement would be imminent. The Chair had been consulting with Members on that issue in various formats and would continue to do so. Based on the outcome of the current discussions in the Committee, the Ministerial Conference or the General Council would need to take a decision on the future operation of paragraph 4 of the underfill mechanism.

2.5. Regarding the implementation of the Nairobi Decision on Export Competition, the sixth annual dedicated discussion had taken place at the September meeting of the Committee on Agriculture. This year had been particularly important, since for the first time a reply to the export competition questionnaire was expected from all Members, including developing country Members, following the expiry of the grace period that had been foreseen in the Decision. The situation regarding the modification of schedules pursuant to the Nairobi Decision had not evolved since the General Council Chair's last report. The Committee on Agriculture had decided to conclude the Second Triennial Review of the Nairobi Decision at the following meeting of the CoA, to be held in March 2022. The agreed timeline to conclude the Review after MC12 would allow Members to consider the topics which were currently dealt with under both the negotiations and the triennial review tracks in a complementary manner.

2.6. Turning to Duty-Free Quota-Free market access for LDCs, at the following CTD meeting in November, the Committee would undertake its annual review of Members' DFQF market access

⁷ The Chair's statement was circulated in document JOB/GC/272.

schemes for LDCs. Although the Bali DFQF Decision called for the Secretariat to prepare a report on Members' DFQF schemes for the CTD's annual review, delegations were aware that it has not been possible for the Secretariat to circulate its report for a number of years, due to divergent views among some Members on its scope and coverage. The situation remained unchanged, but the upcoming annual review would nevertheless give Members an opportunity to provide updates and share information on their DFQF schemes for LDCs.

2.7. With regard to the Working Group on Trade and Transfer of Technology, at the meeting that week on the relationship between trade and transfer of technology, two delegations had presented their national experiences. Technology transfer had been noted as contributing to economic development. Members had found the presentations useful. No substantive discussion had taken place on possible recommendations that the Working Group could make in the future.

2.8. Regarding Aid for Trade, the 8th Global Review was planned for the early summer of 2022 and would focus on the theme of "Empowering Connected Sustainable Trade". A central element of the preparation of the Global Review was the Monitoring and Evaluation exercise. Consultations on the design of the exercise had begun in June, and draft formats had been circulated before the summer break. An Informal CTD Aid-for-Trade meeting in mid-September had allowed Members to provide comments, and a meeting of the CTD Aid-for-Trade session would be held the following day, at which it was hoped that Members could agree to launch the Monitoring and Evaluation exercise. Once launched, Members would have until the end of the year to complete the formats, and the Secretariat would organize outreach events to provide technical support.

2.9. And finally, on Trade Facilitation, the Committee had continued its work on the four-year review of the TFA, which it aimed to complete ahead of MC12. At the following formal meeting of the Committee, a dedicated session on technical assistance and capacity building support would take place in accordance with the Agreement. The rate of ratification of the Agreement remained at 94%, with 9 Members still to ratify.

2.10. The representative of Chad, on behalf of the LDC Group, delivered the following statement:

2.11. The LDC Group will have a virtual meeting at Ministerial level among the LDCs, this meeting is scheduled for 19 October in order to adopt the LDC Ministerial Declaration for MC12. This is the guarantee that the priorities and positions of LDCs as approved by our Ministers can be taken into account in the current process. Among the outcomes, the LDCs will seek to ensure that certain post MC12 steps are included in the outcome document on the implementation of the Bali and Nairobi outcomes in favour of LDCs, concerning preferential rules of origin, the services waiver and duty-free quota free access.

2.12. The representative of Pakistan delivered the following statement:

2.13. Pakistan invites attention to the severely lacking implementation record of previous Ministerial outcomes, and to alert the Membership to the pitfalls as we approach MC12. As we have been highlighting in several of our statements, 'development' remains the cornerstone of any effort at the WTO, and the end we seek to achieve by enhancing trade. The so-called Doha Development Round, therefore, holds a promise that the concerns of developing countries would be addressed and corrections of imbalances in the WTO agreements would play a central role.

2.14. Unfortunately, our track record of implementing our various Ministerial decisions and their mandated work programmes has been severely lacking, allowing questions to be raised on the WTO's credibility and relevance.

2.15. As we approach MC12, with a baggage of unfulfilled past promises, we are also confronted with fresh challenges in wake of the pandemic and economic difficulties for developing countries. A good signal for the world, therefore, lies in delivering meaningful outcomes on longstanding unimplemented mandates from past Ministerial Conferences. In this regard, correcting imbalances in Agriculture, and delivering on the G90 proposals on SDT are of crucial importance. At the same time, the world demands and eagerly awaits an outcome on a response to the pandemic that would provide safe, equitable, and affordable access to COVID-19 vaccines, therapeutics, and equipment to the poorest in the world. Pakistan has been happy to contribute in all processes and at all levels

on the response to the pandemic, and looks forward to continue that engagement to make the COVID response meaningful and credible.

2.16. The WTO has suffered from many missed deadlines and unfulfilled mandates, particularly developmental issues linked with livelihoods and developmental prospects of people in developing countries. We should not continue to fail those people. In this regard, I would like to request you build a mechanism where the unfulfilled mandates and unimplemented decisions are regularly highlighted in this Council and at the Ministerial Conferences, as a reminder for us to act in the right direction.

2.17. The representative of South Africa delivered the following statement:

2.18. In Bali, Ministers instructed the Trade Negotiations Committee to work on the remaining Doha Development Agenda issues, particularly on agriculture, development and LDC issues. This work remains outstanding and is even more important in the context of the COVID-19 pandemic that continues to have a disproportionate impact on developing countries.

2.19. In Bali, Ministers instructed the Trade Negotiations Committee to work on the remaining Doha Development Agenda issues, particularly on agriculture, development and LDC issues. This work remains outstanding and is even more important in the context of the COVID-19 pandemic that continues to have a disproportionate impact on developing countries.

2.20. The pandemic has also presented significant implications for food security, with the majority of populations in developing countries and LDCs faced with increasing hunger, the prospects of increased poverty, and lack of access to meaningful employment. Already, close to 180 million people across 58 countries are grappling with serious food consumption gaps or above-usual acute malnutrition, i.e. serious levels of food insecurity. The MC10 decision (WT/MIN(15)/44)/ WT/L/979) calling for Members to engage constructively to negotiate and make all concerted efforts to agree and adopt a permanent solution on the issue of public stockholding for food security purposes is very urgent. We hope that Members can identify what can be done to make meaningful progress on this important objective.

2.21. The uneven economic recovery we are witnessing reminds us now more than ever, of the relevance and centrality of development as a core principle and objective that should guide our work and negotiations towards MC12. This includes ensuring that the least developed among us are accorded the necessary policy space to close the development gap, ensure equitable share of gains from recovery from COVID-19, and deal with the urgent threats to food security and livelihoods that particularly affects developing and LDCs. The WTO will need to prioritise agriculture and deliver a food and livelihoods agenda at MC12.

2.22. MC12 should also reaffirm the treaty-embedded right to special and differential treatment by developing and LDCs, both as a response to the COVID-19 pandemic, as well as a means towards a more equitable and sustainable growth trajectory and global economic recovery. In this regard, we call and urge for constructive engagements by all Members to arrive at outcomes acceptable to all. In our view, the dysfunction of the WTO is not limited to the Appellate Body, but in the inability of the WTO to deliver on multilaterally agreed mandated issues.

2.23. The representative of India delivered the following statement:

2.24. As we work towards outcomes for MC 12, we would like to reiterate the Ministerial mandates from Bali and Nairobi regarding an effective, permanent outcome on Public Stock Holding for food security purposes. The Ministerial mandate for PSH is clear: the PSH negotiations have to be on an accelerated, separate track; any effort to link these discussions with other pillars is undermining the Ministerial mandate.

2.25. The Joint Statement of the G33 Ministerial Meeting held in September 2021 has strongly reiterated the need for expeditious resolution of Permanent Solution on the PSH at MC 12 and reaffirmed G33 members commitment in moving forward the agricultural negotiations on mandated issues. The members also attested their readiness to work with the rest of the WTO Members based on the elements contained in the proposals submitted by the G33 Members.

2.26. If the WTO Membership cannot deliver on the mandated issues of the past Ministerial meetings, then first, its competency comes under question; second, it leaves a doubt in the mind whether it will honour in the future, the outcomes of MC12, if any. In a nutshell, the credibility of the WTO hinges on the outcomes of the Bali and Nairobi Ministerial mandates, especially when the food security issues have become pronounced due to the ongoing pandemic.

2.27. Pursuant to the Bali Ministerial Decision on Public Stockholding for Food Security Purposes and the General Council Decision of 2014 as contained in document WT/L/939, India notified the Committee on Agriculture that it has exceeded the de minimis level of market price support for rice for the marketing year 2018-2019 and 2019-20.

2.28. Market price support for rice, a traditional staple food crop, is notified under Article 7.2(b) of the Agreement on Agriculture to pursue public stockholding programmes for food security purposes. India's public stockholding programmes for food security purposes, covering rice and several other commodities, have been consistently reported in its Table DS: 1 notification since 1995.

2.29. The programme is consistent with the criteria mentioned in paragraph 3, footnote 5, and footnotes 5 and 6 of Annex 2 to the Agreement on Agriculture. Further, the stocks under the programme are acquired and released to meet the domestic food security needs of India's poor and vulnerable population and not impede commercial trade or food security of others. For these reasons, the notified level of market price support for rice is covered by the peace clause set out in the Bali Ministerial Decision on Public Stockholding for Food Security Purposes (WT/MIN (13)/38) and the General Council Decision (WT/L/939).

2.30. India has been constructively engaging on this issue with other Members in the meetings of the Committee on Agriculture. We do not support linking PSH outcomes with outcomes in other pillars. A simple, efficient, and permanent solution on extending PSH for food security purposes to new programs and new products is, therefore, a key deliverable. In this regard, I suggest the submissions by the Africa Group and the G33 are a good basis for CoASS to take the process forward.

2.31. The representative of Tunisia delivered the following statement:

2.32. The Chair's status report confirms once again the persistent and very regrettable difficulties concerning the implementation of outcomes on key issues agreed upon at the Bali, Nairobi and Buenos Aires Conferences. Tunisia reiterates its intention to honour these commitments, which are still priorities for developing and least developed countries (LDCs) and which would facilitate future decision making based on trust.

2.33. The consequences of the pandemic on food security have confirmed how crucial it is to agree on a permanent solution on Public Stockholding for Food Security Purposes and on a comprehensive and balanced outcome on a special safeguard mechanism. The approach taken by a few Members, to link discussions in these critical areas to other negotiating pillars, has not only undermined the mandate but also contributes to exacerbating food insecurity in vulnerable countries.

2.34. We continue to hope that the Twelfth Ministerial Conference (MC12) will provide the right circumstances for the Members to move forward in the fulfilment of these mandates and to strengthen the credibility of the WTO in future decisions.

2.35. The representative of the European Union delivered the following statement:

2.36. On the Bali Ministerial Decision on Public Stockholding as well as on the Nairobi Decision on export competition, the European Union refers to past statements on record.

2.37. On the Bali Ministerial Decision on Tariff Rate Quota administration (TRQ), the European Union is pleased to see progress made in the last Regular Committee on Agriculture on the Bali TRQ decision review, and in particular the text proposal that was submitted by Costa Rica. We hope that consensus can be reached under the leadership of the Chair of regular Committee on Agriculture with a view to adopting a decision in time for MC12. We urge Members to engage on this issue and work constructively. The European Union would underline that the outcome of this review should be part of the decisions to be taken by Ministers at MC12.

2.38. The representative of Nigeria delivered the following statement:

2.39. We wish to recall statements by previous speakers, and we wish to draw the attention of Members that decisions at the Ministerial are meant to be fully implemented, but the record shows that some decisions in Bali and Nairobi have not been fully implemented and a lot of observations on those challenges have been made. Full implementation of Ministerial Decisions encourages Members to be more committed in preparatory process for any forthcoming Ministerial there will be. So, it is our view to encourage the full implementation of any decision that is adopted in Ministerial Conferences.

2.40. The representative of Mauritius, on behalf of the African Group, delivered the following statement:

2.41. We regret very much that the Doha Development Round has not been completed or the negotiations which are mandated. We do not wish this to be forgotten as the Ministerial come across, what we will recall is that development remains at the centre of our discussions here and we would like this to be remembered as we go along towards the next Ministerial.

2.42. The representative of Sri Lanka delivered the following statement:

2.43. We would like to echo the sentiments expressed by South Africa, India and Mauritius on behalf of the African Group. We are also very concerned that many decisions taken at the previous Ministerial meetings are not being adhered to or not being honoured. It actually surprises me the kind of interest that Members are devoting in relation to the delivery process that we have embarked on the TFA and legal instruments which we have been negotiated subsequent to the launching of the Doha Round. Sri Lanka is not against such interest and enthusiasm, but we have to look at the issues, certain development issues, where the Doha Round could be the centre of focus and be resolved. Members should get engaged in these issues because we have development issues. We have been a founding Member of the WTO and the GATT, so we see certain proposals which are before us under the G90 proposals and other developmental aspects of the Doha Development Agenda, which are going to be quite beneficial for us, not only during the pandemic. If we are to convince that being a Member of the WTO brings us benefits, the situation with relation to small economies like us has not been proven. We urge all Members to demonstrate solidarity and come forward with the willingness to engage meaningfully in resolving and seeing some outcomes on the issues that are under the Doha Development Agenda.

2.44. The representative of Indonesia delivered the following statement:

2.45. We continue to reiterate our priorities and of course our needs to deliver to the mandated issues in agriculture and fisheries subsidies for the MC12 outcome. On agriculture, we continue to maintain our position and priority that the outcome at MC12 should lead to achieve the establishment of a permanent solution to public stockholding for food security and a comprehensive and balanced outcome in the special safeguard mechanism.

2.46. Agriculture reform is urgently needed to create a fair and balanced discipline that addresses the current pandemic, especially the current pandemic challenges, and its impact on food security and livelihood security. The implication of the COVID-19 pandemic particularly on food and livelihood security in developing countries and LDCs, have been underlined by G33 Ministers in the G33 Informal Ministerial Meeting on September 16th, 2021. The G33 Ministers have also underscored their commitment in moving forward in agriculture negotiations in the WTO on PSH and SSM. Moreover, Indonesia and the G33 co-sponsoring Members have been constructive to provide input on PSH discussions by submitting proposals in JOB/AG/214 on a permanent solution for PSH that could work as a basis for discussion towards MC12. Therefore, we expect that we could have a new, more balanced, text that could reflect the concerns and the views of all Members, as well as proposal by Members that have been submitted so far.

2.47. On fisheries, Indonesia places great importance on the conclusion of the fisheries subsidies negotiations to finally deliver on our SDGs mandate. As we stated before and reiterated again this month during the intensive fisheries negotiations, we still consider the current text with its time-bind and limited geographical scope of SDT, as still being imbalanced. We believe it does not provide the necessary SDT for developing countries and LDCs, while still providing flexibilities that maintain

the status quo for major subsidizers, to maintain sustainability in fisheries. In doing so, the economic and development sector of the States and communities dependent on fisheries, are also are utmost important. Therefore, protection of small-scale fisheries within the EEZ of coastal state Members should be an integral part of this discipline. We would like to stress again the importance of SDT flexibilities for small scale fisheries within national jurisdictions for developing countries as reflected in the statement of the 81 Ministers during the 15 July TNC Ministerial. The high number of Ministers concerned about SDT issues show how important they are for the conclusion of our negotiation on fisheries. In this regard, we welcome and consider positively the new revised SDT proposal made by the ACP and African Groups, as another alternative option that tries to rectify the imbalance of asymmetries in the current text. We believe the proposal represents a very significant number of Members, as the ACP and African Groups represent almost half of the WTO Membership, and therefore should be respected and not disregarded. We look forward to the Chair's circulation of the new, revised, and hopefully a more balanced text that reflects the concern of developing Members and LDCs, taking into account the livelihoods of small-scale fishermen and their families.

2.48. The representative of the Central African Republic delivered the following statement:

2.49. We support the statements made by the African and LDC Groups. Ministerial Conferences have produced a large number of decisions which have not yet been implemented and we would like to express our concern with regard to the future of our organization. Ministers meet to take decisions to be fully implemented by Ministerial Conferences, but if that does not happen, there is no sense behind this. Members need to look at the assessment of the Ministerial Conferences with the aim of strengthening the implementation mechanisms of those decisions. The current context calls for a review of the implementation mechanisms of these Conferences because it is not enough to simply mechanically organize Ministerial Conferences, but to ensure that the implementation will be fully effective. This is why we need to have a common understanding of the concept of WTO reform in order to undertake an assessment of our entire multilateral trading system with the aim of, among other things, strengthen the decision making process at the Ministerial level and to ensure that we can fully implement the decisions and strengthen the interinstitutional framework of the multilateral trading system, and also to ensure that the WTO effectively contributes to growth, to health and to the reduction of poverty.

2.50. The representative of Cameroon delivered the following statement:

2.51. We would like to endorse the statement made by the African Group, we also share a number of concerns expressed by delegations who have spoken before us. As underlined by Nigeria and other delegations, Ministerial Decisions need to be implemented and executed by the bodies of this organization. That is reflected in the principles, which are the structure of mutual trust that we have between us. If we take decisions and then we are not capable of or refuse to implement them, then it is quite clear that the confidence in the structure will be questioned. The decisions that have not been executed will undermine the expectations of developing countries and that will further undermine the decisions taken by this organization, which is at the very heart of our participation. As we have always said, trade is not a strength in itself, it needs the development of our States, so we hope that under your leadership these issues that have not yet been fully dealt with, will be subject to a consensus-based resolution and will be rectified before MC12, so you can be assured of our countries' constructive commitments to all the bodies which are tasked with decision-making within this house.

2.52. The representative of Egypt delivered the following statement:

2.53. We associate ourselves with the statement delivered by Mauritius on behalf of the African Group. We also echo the previous speakers in emphasizing the dire need of putting development at the core of our work and delivering meaningful outcomes on the DDA issues. We urge Members to give priority to pandemic recovery and food security issues, and we assert the importance of reaching a permanent solution on PSH and SSM for their utmost importance to LDCs and NFIDCs. Also, we stress on the importance of reaching a positive outcome on the G90 proposal on SDT.

2.54. The General Council took note of the Chair's statement as circulated in document JOB/GC/272 and of the statements by Members.

3 WORK PROGRAMME ON SMALL ECONOMIES – REPORT BY THE CHAIR 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 on the progress of work in its Dedicated Sessions. In Buenos Aires, Ministers had reaffirmed their commitment to the Work Programme and instructed the CTD to continue its work in Dedicated Sessions under the overall responsibility of the General Council. He invited Ambassador Piracha to provide his report.

3.2. Ambassador Muhammad Mujtaba Piracha (Pakistan), Chair of the Dedicated Session of the CTD, provided the following report:

3.3. I am pleased to report that a meeting of the CTD's Dedicated Session on Small Economies will be held on 19 October. At this meeting, Members will consider a proposal by the SVE Group for a Ministerial Decision at MC12 on the Work Programme on Small Economies. The proposed Ministerial Decision, which is to be circulated to Members today, is similar in structure to previous Ministerial Decisions regarding the Small Economies Work Programme.

3.4. In terms of references to past work, the proposed text notes that the recently updated Secretariat compilation paper on the Work Programme on Small Economies – contained in document WT/COMTD/SE/W/22/Rev.10 – as well as previous versions of this paper, reflect the work of the Dedicated Session up to MC12. The proposed text also takes particular note of the work carried out since the last Ministerial Conference. This includes work on the challenges small economies experience in their efforts to reduce trade costs, particularly in the area of trade facilitation; work on the opportunities and challenges for small economies in attracting investments; and work on the economic and trade impact of natural disasters on small economies.

3.5. With regard to future work, the submission by the SVE Group proposes that the Dedicated Session focuses on integrating small economies into the post COVID-19 economy. As I understand it, this would include looking at the effects of the pandemic, as well as the challenges and the opportunities for small economies. As has been the case in previous Ministerial Decisions on the Work Programme on Small Economies, the proposed text indicates that the CTD in Dedicated Session shall continue monitoring the progress of the small economy proposals in WTO bodies and in negotiating groups with the aim of providing responses, as soon as possible, to the trade-related issues identified for the fuller integration of SVEs in the multilateral trading system. I am hopeful that Members will be able to agree to this proposal by the SVE Group at the meeting of the Dedicated Session on October 19. Once approved, and as per the practice, the intention would be for the Dedicated Session to submit a report to the General Council on its work.

3.6. The representative of Guatemala, on behalf of the SVEs, delivered the following statement:

3.7. We thank the Chair of the Committee on Trade and Development for the report presented at the Dedicated Session, on the progress in the Work Programme on Small Economies. As he announced, the delegations of Guatemala, El Salvador and Ecuador circulated, on behalf of the Group of Small Vulnerable Economies (SVEs), the proposal for a Ministerial decision on the Work Programme on Small Economies. As was the case in the past, the content of the statement shall be discussed at the next Dedicated Session on Small Economies of the Committee on Trade and Development, scheduled for 19 October 2021.

3.8. The proposal touches upon the suggested topic for the future work of the work programme integrating small economies into the post COVID-19 economy: effects of the pandemic, challenges and opportunities. My delegation considers the topic to be relevant and crucial to SVEs, which have been severely impacted by the effects of the pandemic.

3.9. We call on all Members to support the proposal, that it may be approved at the Dedicated Session and that the Ministerial decision on the Work Programme on Small Economies be an outcome of the Twelfth WTO Ministerial Conference.

3.10. The representative of Mauritius, on behalf of the African Group, delivered the following statement:

3.11. Mauritius supports the idea of the Committee pursuing a targeted and specific work for MC12 and we believe that the WTO can actually play a greater role in the advancement of the SVE agenda. As has often been repeated, our countries are very often the first to bear the brunt of global shocks such as economic crisis, natural disasters, and climate change. The recent hurricane in Haiti is a case in point. During the pandemic we had to impose very strict measures for lockdown and the impact on us economically has been very high. Given our specific situation as SVEs, small economies require consideration to help them to adapt to such situations. In this regard, we look forward to working with the delegation of Guatemala and others so that the draft Ministerial Decisions on the SVE Work Programme comes up with concrete proposals that will help integrate small economies in the post COVID-19 economy.

3.12. The representative of Vanuatu, on behalf of the Pacific Group, delivered the following statement:

3.13. Our Group also aligns itself with the SVE statement made by Guatemala. Small vulnerable economies face significant challenges, we are very small economies dependent on very few exports, we are highly susceptible to economic shocks, and face comparatively high trade costs. Owing to our remoteness, smallness and geographical fragmentation, the structural characteristics are exacerbated by climate change and natural disasters. COVID-19 has made worse these vulnerabilities in economic sectors such as tourism and other services adversely affected, and exports and remittances declined. Many useful topics and lessons were discussed at the dedicated session held earlier this year, including on promoting investment, on the economic and trade impact of natural disasters in small economies and how to build resilience. The next step is how to translate this into framing responses to the full integration of small vulnerable economies into the multilateral trading system, as required by paragraph 35 of the Doha Ministerial Declaration. We, therefore, encourage Members to engage constructively to facilitate meaningful responses for integrating SVEs into the multilateral trading system. The Pacific Group therefore supports the extension of the Work Programme on Small Economies at MC12.

3.14. The representative of Fiji delivered the following statement:

3.15. Recalling the 41st Dedicated Session held on 6 July before the summer break, the session paved the way for small economies as it allowed Members to have a better and wholistic understanding of the unique challenges faced by the small economies in view of the varying climatic extremes and natural disasters that continue to wreak havoc on the shores of small economies, and which dampen their developmental aspirations.

3.16. In the Pacific region alone, the value of infrastructure, buildings and cash crops at risk from natural disasters, is equivalent to approximately USD 112 billion annually. SIDS (Small Island Developing States) account for two thirds of the countries with the highest relative annual natural disaster losses. For small countries, the costs of post-disaster reconstruction can be exorbitant. On average, natural disasters cause damage equivalent to 2.1% of GDP every year in SIDS.

3.17. As often repeated, this loss is further exacerbated by the impact of climate change. Changes in the climate, sea level rise and the intensity of climatic disasters like tropical cyclones, droughts and floods have an extremely negative impact on economies, communities, households, people and physical assets. As a result, small island nations are trapped in a vicious debt trap, damaging their productivity and ability to recover from disasters and other structural constraints.

3.18. In the words of United Nations Secretary-General Mr Antonio Guterres this week whilst opening the UNCTAD 15 in Barbados, "countries cannot build back if they are held back". The direct onslaught of natural disasters and climate change burdened small economies into endless rebuilding, thus continued dependence on loans. Already UNCTAD has warned that the situation of small economies is unsustainable and requires urgent global attention.

3.19. Fiji looks forward therefore to the impending 42nd Dedicated Session on 19 October to review the paper being compiled for the session, including for a Ministerial Decision, in particular on ways that would promote the full integration of small economies and SVEs into the multilateral trading

system. In saying this, we support the extension of the Work Program on Small Economies at MC12 and look forward to working with Guatemala and others. In closing Fiji aligns its statement with that of the Pacific Group, as delivered by Vanuatu.

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

4 TRIPS COUNCIL MATTERS

4.1 STATUS REPORT ON THE CONSIDERATIONS BY THE TRIPS COUNCIL ON THE REVISED "PROPOSAL FOR A WAIVER FROM CERTAIN PROVISIONS OF THE TRIPS AGREEMENT FOR THE PREVENTION, CONTAINMENT AND TREATMENT OF COVID-19" (IP/C/W/669/REV.1) – STATEMENT BY THE CHAIR OF THE COUNCIL FOR TRIPS

4.1. The Chair recalled that this item related to a status report by the TRIPS Council Chair on the revised "Proposal for a Waiver from Certain Provisions of the TRIPS Agreement for the Prevention, Containment and Treatment of COVID-19" in document IP/C/W/669/Rev.1. Since the July meeting, the Council for TRIPS had considered the request again at its informal meetings in September and October. He therefore invited Ambassador Sørli to provide a status report on the TRIPS Council's consideration of the matter.

4.2. Ambassador Dagfinn Sørli (Norway), Chair of the TRIPS Council, provided the following report:

4.3. At the meeting of the TRIPS Council on 15-16 October 2020, India and South Africa introduced document IP/C/W/669, requesting a waiver from certain provisions of the TRIPS Agreement for the prevention, containment and treatment of COVID-19, which had been circulated on 2 October 2020 and has since been co-sponsored by the delegations of Kenya, Eswatini, Mozambique, Pakistan, Plurinational State of Bolivia, Bolivarian Republic of Venezuela, Mongolia, Zimbabwe, Egypt, the African Group, the LDC Group, the Maldives, Fiji, Namibia, Vanuatu, Indonesia and Jordan. Since the introduction of the document, discussions took place in various formal and informal TRIPS Council meetings. Delegations exchanged views, asked questions, sought clarifications and provided replies, clarifications, and information, including through documents IP/C/W/670, IP/C/W/671, IP/C/W/672, IP/C/W/673 and IP/C/W/674, on the waiver request. On 21 May 2021 the co-sponsors issued a revised proposal which was circulated in document IP/C/W/669/Rev.1. The revised waiver request was presented at an informal open-ended meeting of the Council on 31 May, and introduced at its formal meeting on 8-9 June 2021. It has since been co-sponsored by Malaysia.

4.4. Since the last oral status report delivered on 27 July 2021, discussions continued in small-group consultations, at an informal open-ended meeting on 14 September, and at an informal and formal meeting on 4 October 2021. On 29 September 2021, the co-sponsors circulated a summary of their interventions in document IP/C/W/684.

4.5. In the course of discussions on the revised waiver proposal, delegations held focused discussions on the topics of 'scope', both from the perspective of products and of IP rights, on 'duration', 'implementation' and on protection of undisclosed information. Delegations engaged positively and their detailed substantive exchanges helped clarify various aspects and nuances of positions. While delegations remain committed to the common goal of providing timely and secure access to high-quality, safe, efficacious and affordable vaccines and medicines for all, disagreement persists on the fundamental question of whether a waiver is the appropriate and most effective way to address the shortage and inequitable distribution of and access to vaccines and other COVID-related products.

4.6. In addition, a proposal for a draft General Council declaration on the TRIPS Agreement and Public Health in the circumstances of a pandemic, issued by the European Union and circulated in IP/C/W/681, has also been discussed in meetings since its circulation on 21 June 2021. Delegations exchanged views, asked questions, sought clarifications and provided replies, clarifications, and information. Disagreement persists on the fundamental question of whether this proposal is the appropriate and most effective way to address the shortage and inequitable distribution of and access to vaccines and other COVID-related products.

4.7. This means that the TRIPS Council has not yet completed its consideration of the revised waiver request. The TRIPS Council will therefore continue its consideration of the revised waiver request,

including through small-group consultations and informal open-ended meetings, and report back to the General Council as stipulated in Article IX:3 of the Marrakesh Agreement. In addition, the TRIPS Council will also continue in the same manner its consideration of the other related proposals by Members.

4.8. The representative of South Africa delivered the following statement:

4.9. We thank the Chair of the TRIPS Council for his effort and report, which in our view, accurately reflects the status of our discussions in the TRIPS Council. We associate ourselves with the statement to be made by the Africa Group and the ACP.

4.10. This past weekend marked a full year since South Africa and India first submitted a proposal for a limited and temporary waiver of certain provisions of the TRIPS Agreement. Circular, ideological debates about the role of IP are not going to contribute to the ramping-up and diversification of COVID-19 health products manufacture. Article 8 of the TRIPS Agreement recognises that there are instances where IPRs can and should be limited in the public interest. In the context of an unprecedented global pandemic, the revised TRIPS Waiver proposal represents a proportionate, necessary, targeted and appropriate response to the pandemic.

4.11. The COVID-19 pandemic is an unprecedented crisis of our time. In an inter-connected world, global solidarity is critical and this necessitates sharing of IP and know-how to enable diversification of production of life-saving medical products and technologies. The WTO will be judged based on its ability to deliver a credible response to the COVID-19 pandemic.

4.12. The call for a targeted, time-bound TRIPS Waiver is supported by over 100 WTO Members, as well as former Heads of State across the board, Nobel Laureates and a large spectrum of civil society organizations as a proportionate response to the crisis. The TRIPS waiver will not dismantle the current system of innovation incentives. Rather it is a narrow, time-limited waiver aimed only at facilitating global production, diversification and access to COVID-19 related products.

4.13. We remain flexible to negotiate a targeted and time-limited Waiver and we are ready to work with Members to find a balanced outcome that results in diversification of production, especially in Africa that imports over 99% of its vaccine needs and achieves the right balance that addresses the IP barriers to boost and diversify production and incentivizes research and innovation.

4.14. Patents certainly deserve attention as the manufacturing and supply of one product, especially complex biologics like COVID-19 vaccines, is often governed by multiple patents, which may be owned by different entities. The Waiver also includes other aspects such as undisclosed information that also deserve attention if we are to unlock production. We need to explore how we can utilize in a targeted manner the regulatory data to ramp-up and diversify production. We believe that data gathered during the regulatory approval process, and tacit know-how are also essential for manufacturing and producing vaccines.

4.15. South Africa believes the TRIPS Waiver is integral to a successful outcome at MC12. We should move beyond the binary between the TRIPS Waiver and the EU Compulsory License proposal. Members should have access to all policy tools to boost and diversify production, especially for Africa that imports 99% of its vaccine needs. It will be important to ensure that we align the Facilitator-led process under Ambassador Walker and the TRIPS Council Chair so that we have a comprehensive package that includes the trade related and IP related aspects through the Waiver.

4.16. For South Africa and the co-sponsors, the call for a TRIPS Waiver is not an ideological debate but a genuine attempt to find a solution that saves people's lives. We remain optimistic that if we engage in a solution-oriented process, we can find a solution that addresses the interests of all within the limited time we have.

4.17. We believe that approving the TRIPS Waiver for COVID-19-related products is the right thing to do, and everyone will benefit from it as sustainable economic recovery is only possible when we can curb the spread of the virus everywhere. That can only be achieved when global immunity is reached. No one is safe until everyone is.

4.18. Since the July General Council, we had small group meetings on 22, 24 and 28 June 2021 in order to focus on various aspects presented in proposals made to the TRIPS Council. Further small group consultations took place on 23 and 29 September and the TRIPS Council convened on 4 October to adopt the Chair's oral report. These sessions have not yielded progress however. Despite agreeing to move into text-based negotiations on the revised TRIPS Waiver proposal contained in Document (IP/C/W/669Rev 1), a few Members, in practice, have chosen to forego bona fide text-based negotiations in favour of asking and repeating a number of clarity-seeking questions. This is notwithstanding the fact that the vast majority of said questions had been extensively addressed in documents IP/C/W/670, 672, 673 and 674).

4.19. In addition to the above-mentioned reference documents, last week, the co-sponsors submitted a compilation of our statements and the answers we have provided to the various questions that Members have posed in lieu of engaging in genuine text-based negotiations. The said document was allocated reference number IP/C/W/684. It is hoped that Members will consult our compilation and forego using small group consultations as a forum to repeat questions that have been extensively addressed.

4.20. The co-sponsors have argued that the TRIPS waiver is a necessary, targeted, time-limited and proportionate legal measure, directed at addressing intellectual property barriers in a direct, transparent and efficient fashion, which is consistent with the WTO legal framework. Passing this Waiver allows companies the freedom to operate and to produce covered COVID-19 health products and to use health technologies without the fear of infringing another party's IP rights and the attendant threat of litigation. Furthermore, passing a TRIPS Waiver acts as an important political, moral and economic lever towards encouraging solutions aimed at global equitable access to COVID-19 health products and technologies including vaccines, therapeutics and diagnostics, which is in the wider interest of the global public.

4.21. The representative of [China](#) delivered the following statement:

4.22. We support Ambassador Sørli's status report made just now. We are disappointed that after nearly one year of negotiation the convergence is yet to be achieved. As many Members mentioned, intellectual property rights have brought the WTO and the world closer in terms of health and development. We have a good opportunity to help increase vaccine supply and address inequity in distribution, which could demonstrate the WTO's relevance in this difficult area. With the fast-approaching MC12, let us work together in a constructive and cooperative manner focusing on what is the most urgently needed and what we could deliver in the next 40 days.

4.23. In our view, having a vaccine waiver at MC12 and keeping the door open for further discussion on other products could be an option. We know how difficult the task is, but firmly believe that this is what we have to achieve if we are committed to maintaining the relevance and credibility of this Organization. China always regards vaccines as global public goods and make every effort to ensure the accessibility and affordability to developing countries. We will strive to provide 2 billion doses of vaccines to other countries throughout the year on top of the USD 100 million donated to the COVAX facility. China will donate another 100 million doses of vaccines to developing countries within this year. We call upon all Members to strengthen solidarity and enhance cooperation to win this fight, which is crucial to the mankind. We also hope that constructive discussions in Paris by some Ministers could trigger a real talk on this issue in Geneva.

4.24. The representative of [Angola](#) delivered the following statement:

4.25. The Angola delegation thanks you, Chair, for your valuable guidance, and we are particularly grateful for receiving the highlighting report from the TRIPS Council Chair. A year passed since, India and South Africa's proposal of 2 October 2020 for a waiver from certain provisions of the TRIPS Agreement on the prevention, containment and treatment of COVID-19. During this period, we have heard the most diverse arguments from countries, organizations, scientists, and other experts on the subject. Today we can say that there is a clear majority of WTO members supported by relevant scientific data in favour of the provisional waiving proposal. For those still against this extraordinary and emergency proposal, Angola, like others before us, would like to stress only two points:

4.26. We are not discussing a general waiving of the TRIPS Agreement on health domains in the framework of a newly demanded treaty update. We are debating an urgent, concrete, and

extraordinary proposal for a once in a lifetime pandemic, with massive trade, economic and social global impacts. TRIPS general reform debate should not be used to delay the urgent imperative to waive constraints on the provisions that are complicating a global health answer to this health crisis.

4.27. The traditional diplomatic concept of 'pragmatism' has not a meaningful place in this debate. There is no pragmatism in the mounting pandemic deaths, infections, and negative socio-economic consequences at the global level. Existing TRIPS flexibilities are legally very complex and are not enough to tackle the pandemic crisis. Simultaneously, a 'pragmatic' approach leads to a poor argument for delaying a speedy and urgent solution, thus increasing tragically global consequences. Indeed, the suggested 'pragmatic' approaches on patent pooling, licensing, and knowledge sharing platforms have mostly already been made but cannot tackle the pandemic crisis. One figure is clear: while in developed and wealthy countries, more than 70% of the population has received a vaccine against COVID-19, over 90% of Africans are still waiting for their first dose. This awful asymmetry is not pragmatism, this is a moral indictment of the state of our world as the UN Secretary-General duly stated during the 76th UN General Assembly.

4.28. We are all aware that the current critical situation of the COVID-19 pandemic is a challenging global crisis, especially to the developing countries and LDCs that lack primary health and technological resources. Angola fully supports the statements delivered by South Africa and Chad on behalf of the LDC Group, and Tanzania on behalf of the African Group. We invite the Members of this Council to consider once again the proposal on a Waiver from certain provisions of the TRIPS Agreement with immediate and direct impact on COVID-19 diagnostics, therapeutics, vaccines, medical devices, and personal protective equipment. We hope that this proposal becomes a significant item in the coming WTO Ministerial Conference.

4.29. The representative of Nigeria delivered the following statement:

4.30. We wish to maintain and underscore the urgency for the adoption of the proposal in the TRIPS Council. We associate ourselves with the statement that will be delivered by Mauritius on behalf of the African Group and Jamaica on behalf of the ACP Group. The unequal access to diagnostics, therapeutics and vaccines needed to combat COVID-19 due to the huge increase in the supply and demand gap, continues to threaten the lives of our citizens. The situation is made worse by the TRIPS Agreement that continues to unfairly stand in the way of achieving critical public health objectives.

4.31. The TRIPS constitutes a barrier to ramping up production in developing countries, and existing limited and restrictive voluntary licenses provisions have not helped the situation. Existing flexibilities of the TRIPS Agreement especially in Article 31 and 31bis are not sufficient to address the current COVID difficulties given that they are not designed to address the challenges of global health emergencies such as that imposed by the COVID pandemic. The solution to the current COVID difficulties lies in rapid outset by every country to affordable diagnostics, therapeutics and vaccines to combat COVID. This can only be achieved by ramping up production of this product in developing countries, and it is for this reason that we call for the adoption of this proposal. We believe that the adoption of this proposal will enhance trust within the Membership and credibility of the WTO. Finally, we are hopeful that the current effort by the WTO particularly through the ongoing consultation by Ambassador Walker on WTO Response to Pandemic will have a positive outcome in this regard and the TRIPS Council Waiver will be inclusive in the outcome.

4.32. The representative of Pakistan delivered the following statement:

4.33. I thank you Chair and also thank the TRIPS Council Chair for his report and for his efforts to find a solution on this Agenda item. Pakistan would like to recall all its previous statements on this issue in the General Council and the TRIPS Council at its formal, informal, and small group sessions.

4.34. One year has officially passed since this waiver was placed on the table with the objective of a quick action that would save human lives by providing equitable and affordable access to vaccines to everyone across the globe. During this time, while delaying this proposal, opponents often told us that the existing system with the Covax facility, and voluntary licenses would be enough to ward off any threats and we would soon overcome the problems of vaccine shortages. One year on, with mortality figures approaching 5 million, and infections getting close to 250 million, the end of the pandemic is not in sight. Covax has only delivered 15% of its promised doses for 2021. According

to UNDP estimates, one in two people have been vaccinated in high income countries as opposed to only 1 in 28 in low income countries. Clearly, business-as-usual is working only for the advantage of a few in rich countries and for the profits of big pharma companies.

4.35. A small ray of hope for the proposal was created when delegations declared their intention to join text-based negotiations. Since then, certain delegations have conveniently gone back on their commitment and found it convenient to block the Waiver proposal on one pretext or another. This has not only severely delayed an outcome that would have saved precious lives, but has also reduced a good faith process to a repetitive, circular discussion.

4.36. The cosponsors' arguments are well known, and well documented. We have also submitted a latest summary of our arguments and detailed examples and evidence in the recent document IP/C/W/684. We have also been open to discussing all proposals to find a meaningful solution that works. Clearly, routine methods with Covax and voluntary licenses are severely inadequate. Compulsory licensing provisions under the TRIPS Agreement are, ironically, too complicated and limited to implement in an emergency of this magnitude. The enormity of the challenge is such that mere clarifications or reiteration of existing IP or trade policy related provisions would not be sufficient. Thus, only a time-bound, temporary waiver from certain TRIPS obligations is the only meaningful solution that can address the situation, and it must therefore be an integral component of any WTO response to the pandemic. Without the waiver, the WTO risks having no tangible response to the pandemic which would be disastrous for the organisation.

4.37. The representative of Chile delivered the following statement:

4.38. Our delegation thanks the Chair of the Council for Trade-Related Aspects of Intellectual Property Rights (TRIPS) for his report on the status of the talks regarding the proposals submitted on this subject, as well as his work to facilitate discussions in the search for consensus. Chile maintains its position on this matter and we reiterate our appeal to Members to begin by implementing and making use of the current flexibilities contained in the TRIPS Agreement in support of public policy objectives on health. Now more than ever, favourable conditions exist to domestically implement these flexibilities. We believe that the current intellectual property (IP) system already has the tools to support the fight against the pandemic.

4.39. Furthermore, we must emphasize that a solution to this issue requires a holistic approach, as pointed out in previous statements, including the one by South Africa, which is why we have co-sponsored, together with other Members, the Trade and Health proposal. We are convinced that this Organization can give an integrated response which addresses the challenges of both access to and distribution of vaccines at the global level.

4.40. The representative of Colombia delivered the following statement:

4.41. I would like to take this opportunity to place on record Colombia's support for the report submitted by the Chair of the TRIPS Council, Ambassador Sørli, and thank him for his valuable work in leading and facilitating discussions in this Council. I would also like to reiterate Colombia's commitment to a coordinated response from Members to overcome the economic and social crisis caused by the COVID-19 pandemic. For my country, this is a topic of the highest importance and remains a priority in our international relations.

4.42. Colombia thanks the co-sponsors of document IP/C/W/669 and its revision for continuing to highlight the importance and urgency of working towards a joint response, and the sponsor of document IP/C/W/681 for drafting a focused and pragmatic text. Colombia reaffirms its commitment to continuing to engage constructively in the discussion to seek an effective and collective response for the upcoming Ministerial Conference.

4.43. The representative of Mauritius, on behalf of the African Group, delivered the following statement:

4.44. We need to be able to move to action quickly and that is not happening. I was looking at the data for vaccines and I was interested to see that Portugal today is the country with the highest rate of vaccination, about 85%. I was curious to see how they had achieved it, and the achievement has been partly because of the establishment of vaccination production lines at sport centres. It did not

sound too complicated to me and I was thinking of all the arguments we have about missing technology, human capacity and of course knowledge. All this will come but what we need is a decision at this point.

4.45. I don't know if we should repeat the arguments about Africa, we have said it so many times, how much Africa is lagging behind. And if you were to compare for example Portugal with 85% I will give you a list of the ones with less than 1.6%; starting with Haiti at 0%; Democratic Republic of Congo 0%; Chad, Burkina Faso, Benin, South Sudan, Syria, Mali, Papua New Guinea, Yemen, Cameroon, Guinea Bissau, Niger, Liberia, Central African Republic, all these countries are below 1.6% and we are tired of hearing this but it is the truth and it does not move away. On the other hand, we are very much encouraged, and I heard Ambassador Chenggang mentioning constructive approach at the OECD meeting in Paris, so we are really encouraged that countries are beginning to understand better the importance of this.

4.46. Pandemics will not go away, they will come back again. This pandemic is not over, it is not even lingering, this pandemic is still in the middle and we need to be able to ensure that beyond numbers we also have production centres across the geographical spectrum. The CDC is working to try and see how we can do this across Africa, but we have reached a situation where we do not want to depend on one or two persons only for vaccines. In this case, there is a specific issue at hand, so we are asking to ramp up this vaccination and we believe that the constructive discussions that are now going on could actually lead to a concrete and meaningful outcome. From the perspective of the African Group, all I wish to say is that for us there will be no health response without a response on the Waiver.

4.47. The representative of the United Kingdom delivered the following statement:

4.48. Thank you very much, first of all, to Ambassador Sørli for his status report of the work on the TRIPS Council. I think the report is factual, objective and accurately reflects the developments there. The truth is, as we know, despite our many discussions on these topics, Members are still finding it difficult to move toward consensus on these issues. I think we all agree that we need a substantive Trade and Health outcome at MC12. One which promotes vaccine production and supports equitable vaccine distribution for all the reasons that other colleagues have stated.

4.49. Where we find ourselves rather at odds is on the most effective way to deliver those outcomes. For our own part, we believe that the Intellectual Property system has been a critical enabler of our response through this awful pandemic through the extraordinary success in developing the number of effective vaccines that we have today. And indeed, the therapeutics and diagnostics which we have seen great news on just in the last few days. We do know that production is rising to the levels that we all aspired to. Production reached 7.5 billion doses last month and we are still on course to get to 12 billion by the end of this year. With more manufacturing partnerships being signed, support for local production, and we really welcome for example the announcement just last month that Pfizer BioNtech signed a deal with Eurofarma in Brazil for COVID-19 vaccine production and scale up.

4.50. It's also a harsh reality, very eloquently expressed by colleagues around the room this morning, that far too many people are still not receiving the vaccines. There is clearly a problem with equitable access and distribution and practical issues too about the delivery of those vaccines. This is a multifaceted challenge and on the intellectual property side we are certainly willing to consider ways in which IP can be harnessed more effectively, particularly to promote production partnerships. We welcome pragmatic suggestions some Members have made in this regard. Finding ways to promote voluntary licensing and tech transfer are clearly a vital part in this effort. But the solution of vaccine distribution and equity goes well beyond IP, we have discussed this in many fora here. It relies on identifying key bottlenecks that companies are facing in production, distribution and administration of vaccines across the whole product chain and acting to remove those bottlenecks that bite hardest on that supply chain. That includes action to constrain trade restrictive measures, and promote trade facilitation, issues that have been taken up in the Trade and Health initiative which colleagues have ready referred to this morning and which we continue to strongly support and would like to see reflected at MC12.

4.51. A solution on vaccine distribution and equity also requires proper support for COVAX. We have ourselves provided around three quarters of a billion USD to COVAX and are also sharing 100 million

doses of vaccines from the United Kingdom. The United Kingdom is committed to a multifaceted and pragmatic response at MC12 and we will work hard with colleagues to achieve that outcome.

4.52. The representative of India delivered the following statement:

4.53. On behalf of the co-sponsors, I welcome Malaysia as our newest co-sponsor taking the total number of sponsors to 64. Incidentally, this proposal was submitted on Mahatma Gandhi's Birth anniversary on 2 October, last year. We have lost a whole year and over 5 million lives while discussing this proposal. It is disappointing, to say the least, that even on such a critical, urgent and extraordinary issue, despite commitments to engage in text-based negotiations, all we have done until now is debate and discuss the issue, thanks to a few Members. Although we have held several rounds of small group meetings, owing to lack of substantive engagement by a few Members, valuable time has been wasted without an outcome. While we have heard many delegations extolling the spirit of compromise, the need to be practical and pragmatic to be able to deliver in their areas of interest such values seem to be unwarranted in the TRIPS Waiver negotiations.

4.54. A few Members have stated that they do not view Waiver as a response to enhancing supplies, thereby increasing accessibility and affordability of vaccines, therapeutics and diagnostics required to combat COVID-19. They have repeatedly claimed that existing flexibilities will deliver, but the current situation clearly reveals that these flexibilities have not delivered equitable access at affordable prices.

4.55. Problems surrounding equitable access and affordability of these vaccines would continue to persist. As the countries with higher income level crowd out most of the production, add to that their need for boosters, annual vaccinations and vaccination for children, the current system will fall way short of the required enhanced needs. Protecting one country has its own limits when others remain unprotected, therefore it becomes imperative to prioritize people who have not yet received their first dose and to achieve this we have to respond to lack of availability as well as accessibility and affordability. With emerging new and deadlier variants, the only way to ensure that today's vaccines remain effective is to get the world vaccinated as soon as possible. The bigger the pool of infected people, the higher risk of virus mutations and high chances of the vaccines becoming ineffective. Recent studies have shown that though there may be breakthrough infections amongst the vaccinated population, the percentage of serious illness resulting in hospitalization and fatality has certainly reduced amongst vaccinated populations.

4.56. The recent UNCTAD Trade and Development report has found that developing countries will, by 2025, be as much as USD 8 trillion poorer because of the coronavirus crisis, and the burden of delayed vaccination estimated at USD 2,3 trillion in terms of lost income will be borne mostly by developing countries. In light of such alarming data, it is disheartening to see how the interest of a majority has been conveniently side-lined. This differentiated approach to combat the pandemic is bound to fail. We must, as an organization, be willing to deliver on issues within our mandate that aim to alleviate the problems of the most vulnerable. Thus, it is paramount to incorporate the Waiver proposal into the WTO's response package being deliberated upon and we must ensure this is achieved to ensure a successful MC12.

4.57. The representative of Malaysia delivered the following statement:

4.58. Malaysia would like to thank Ambassador Dagfinn Sørli for his leadership in the TRIPS Council and for the report delivered, which represents the factual outcome on the state of play in the text-based negotiations. Malaysia would like to join other Members in highlighting the common goal of providing timely and equitable access to affordable vaccines and medicines for all. We commend the Director-General for her leadership in spearheading the WTO initiatives towards ensuring equitable and affordable access to vaccines.

4.59. As of 1 October 2021, the statistics have shown that almost 5 million people have lost their lives due to COVID-19. In Malaysia, we have lost nearly 27,000 people due to this pandemic, which has prolonged for nearly two years. Having this in mind, we wish to reiterate the importance of timely access to affordable diagnostics, therapeutics, vaccines, and other medical products in order to enable us to effectively contain the spread of COVID-19. The fight against this global pandemic requires 'creative approaches beyond the norm'.

4.60. During the TRIPS Council meeting, my delegation shared our experience in utilizing the TRIPS flexibility on compulsory licensing provision twice, firstly, for the importation of HIV medication in 2003, and secondly in 2017, for the treatment of Hepatitis C. In our view, compulsory licensing alone is inadequate to address the urgency of the pandemic and the remaining divide between the developed and developing members in the access to vaccines.

4.61. We remain cognisant of the role of intellectual property rights in research and development. Nonetheless, the urgency of addressing life-threatening pandemic situations warrants more bold and decisive interventions to save lives including through the waiving of intellectual property rights. We view that a TRIPS Waiver can act as an important demonstration of global solidarity and a huge contribution on the part of the WTO in responding to the pandemic. Therefore, we strongly encourage Members to engage constructively on the TRIPS Waiver proposal with the aim of achieving a common landing zone towards a favourable outcome at the MC12.

4.62. The representative of Vanuatu, on behalf of the Pacific Group, delivered the following statement:

4.63. We support the statement to be made by the ACP Group. The Pacific Group considers this matter as an integral outcome for MC12 and for the simple reason that human lives matter. Human lives matter now, human lives matter tomorrow. New waves of infections are continuing, including in some countries that have brought COVID-19 under control, while many of us are still struggling from the previous waves of the pandemic. Infections are still rising and so are deaths, while vaccine shortages continue in developing countries and in poor countries. Vaccine inequity cannot continue, we must place people at the centre of the solutions. The TRIPS Waiver which has been proposed and is under discussion for so long, provides an effective solution to scale up supplies of vaccines. The Pacific Group supports therefore urgent work in the TRIPS Council and not only on text-based discussions, but with Members to engage constructively, in good faith, and in solution seeking mode, so that an agreement on outcomes can be reached well before MC12. We also believe this should form part of an overall package of the WTO COVID-19 responses.

4.64. The representative of Australia delivered the following statement:

4.65. Australia is committed to delivering a positive, consensus driven outcome at MC12 that sends a powerful message of global solidarity and of the WTO's ability to respond to a major global crisis. Australia also recognises the importance of affirming the right for all WTO Members to overcome any intellectual property barriers that emerge in responding to COVID-19.

4.66. We are concerned that some of the views repeatedly expressed in the TRIPS Council are putting at risk our ability to achieve consensus. As many others have noted, it is very unfortunate that after 12 months of debate, there remain significant disagreements between Members about the role of intellectual property in responding to COVID-19. We therefore call on all Members to engage with a genuine spirit of compromise so that we can find common ground and deliver a positive outcome.

4.67. The representative of Jamaica, on behalf of the ACP Group, delivered the following statement:

4.68. The ACP Group is particularly pleased that the proponents have been exercising flexibility and that non proponents are being constructive in the meetings. We believe that the proposal should continue to be prioritized in the work programme of the TRIPS Council and we call for the continuation of discussions on the issue in various formats deemed necessary by WTO Members. We believe that it is important for us to have an outcome on this matter by MC12. An Agreement on a waiver that accommodates the interests and addresses the concerns of all WTO Members is an important component of global efforts to addressing the pressing issue of inadequate and lack of access of two vaccines and other items for the prevention, containment and treatment of COVID-19, particularly in developing countries and LDCs.

4.69. The ACP Group reiterates its endorsement of the genuine public health objectives of the proposal, and we support proponents in their bid to contribute to international initiatives to ensure that our people have affordable access to medicines, vaccines and other COVID-related items. We believe that vaccination is the most durable solution to contain the virus and therefore facilitating access, especially by developing countries and LDCs should be our priority. Our fiscal targets have

been dislocated due to the impact of the pandemic and our health care systems and economies are facing unprecedented challenges with no light at the end of the tunnel. We continue to impress upon the WTO's Membership that no Member is safe until all Members are, and COVID induced economic and social challenges in one Member affect other Members.

4.70. The ACP Group thanks the co-sponsors for their commitment and takes this opportunity to invite other Members to continue their constructive engagement, and in a collaborative manner with a view to finding a landing zone that works for all Members. The health and lives of people should always be our priority and the ACP Group is confident that WTO Members are capable of delivering for and on behalf of our people in these most difficult times.

4.71. The representative of the United States delivered the following statement:

4.72. We hesitate to intervene since this is a procedural agenda item. Members have already agreed by consensus to the report. However, given the extensive discussions, we would like to make the following points. We in the United States are doing all we can to ensure everyone, both at home and around the world, has access to safe and effective vaccines because more vaccinations are how we end this pandemic. We have committed to donate over 1.1 billion doses to date. We have already shipped nearly 160 million doses to 100 countries – donating more vaccines than all other countries combined – for free and with zero strings attached, with millions more shipping each day. The United States has stated its support for a waiver of intellectual property protections for COVID-19 vaccines. We also recognize the consensus-based nature of the WTO and the complexity of the issues involved. With MC12 coming up in less than 2 months, we are at a critical juncture. We remain committed to engaging with WTO Members to find a way forward that all Members can support. However, unless Members are able to make some real compromises, we worry that there may be the possibility of no outcome – which would be extremely regretful. It is time for the WTO to come together and deliver the constructive and practical outcome that the world needs.

4.73. The representative of Tunisia delivered the following statement:

4.74. We thank the Chair of the Council for Trade Related Aspects of Intellectual Property Rights (TRIPS) for his status report and his highly appreciated efforts. We believe that after a year of discussing the initiative for a waiver, submitted by its proponents, everything has been said, including the arguments and assurances necessary to convince certain Members who remain sceptical about the vital objective of this initiative, not to mention the unprecedented aspirations of the international community and civil society as to a convincing decision at the WTO.

4.75. The time to be convincing as to the usefulness of the initiative or to defend the rules or even to call into question the effectiveness of international mechanisms has ended. Rather, the time has come to show real international solidarity. We are seriously concerned that if certain Ministers at MC12 point out delays in their vaccination campaigns or the low vaccination rates in their countries while other Members are already administering booster shots in theirs, the outcomes of the whole Conference will be compromised.

4.76. My delegation can, in this respect, confirm the effectiveness of solidarity. Tunisia's healthcare system was on the brink of collapse two months ago due to recurring waves of the pandemic and a very high death rate, but our country succeeded in a matter of weeks – thanks to an outpouring of solidarity from friends and brothers across our borders, combined with a more responsive COVAX mechanism – to correct the situation and curb the spread of COVID-19 by reaching a vaccination rate of nearly 50%.

4.77. In this regard, the proposed waiver under discussion serves as a reminder of the foundations of the Doha Declaration on the TRIPS Agreement and Public Health, prioritizing the protection of global health and the promotion of access to medicines for all. The Members of the WTO have a duty to show tangible solidarity, which is necessary in these exceptional circumstances.

4.78. The representative of Norway delivered the following statement:

4.79. Norway has not been convinced that the TRIPS Waiver proposed by India and South Africa would be an efficient tool in the fight against the pandemic. On the other hand, we agree that we must ensure that intellectual property rights do not constitute a barrier to solving the current or

future health crisis. Norway would like to appeal to all parties to search for a common ground as a basis for pragmatic compromise that can achieve a consensus. We welcome the signals of flexibility heard from South Africa today. We look forward to continuing our deliberations within the framework of the TRIPS Council.

4.80. The representative of the Central African Republic delivered the following statement:

4.81. We noted in the report that there have been some disagreements, which means that we may not be able to hope for an agreement on a possible waiver. The Central African Republic supports the statement made by the African Group, the ACP Group and the LDC Group on this matter. Lifting trade restrictions on the implementation of trade facilitation is not enough to ensure that we have an effective and efficient response from the WTO to this pandemic. In addition to these trade measures, we need this waiver, which will allow the populations who have been decimated by this pandemic to have access to vaccines. That is why the Central African Republic would like to call for global solidarity and for international cooperation in order to provide this agreement no matter what form the waiver may take, but which is so important for LDCs and developing countries. The important thing is to have access to these vaccines, which will allow us to mitigate the suffering of our populations in these countries.

4.82. The representative of Bangladesh delivered the following statement:

4.83. My delegation thanks the TRIPS Chair for his report on the issue today. We have emphasised many times before that Members should engage in text-based discussion on this submission as soon as possible. The Waiver proposal is one year old. In the meantime, the COVID-19 pandemic continues to ravage our lives and livelihood. It has already done enough damage to developing countries, and LDCs are the hardest hit. People are waiting for vaccines. The production of vaccines cannot meet the supply and demand. The current system is not functioning well to facilitate adequate production and supply of the vaccine and therapeutic, and their affordable and equitable access all over the world.

4.84. Many delegations have already pointed out to vaccine inequality, vaccine nationalism, and export restrictions. The high-income countries that make up 16% of the world population have pre-booked the majority of the vaccines till 2025. On the other hand, a majority of the population in developing countries and particularly LDCs are left in uncertainty from the affordable and timely access of the vaccine. We all are aware that the production of vaccines against COVID-19 is highly concentrated in a few countries. Concentrated production leads to monopolistic control of production, supply and prices of vaccines. This situation contributes to inequitable and unaffordable access. On the other hand, the issue is not just about one round of vaccination. For equitable access, it has to be timely and sustainable over time. As it appears, supply constraints will persist beyond 2021 as teenagers and children need to be vaccinated and multiple booster doses are required. Therefore, there is an urgent need to expand manufacturing globally and to diversify supply, for vaccines, therapeutics and other medical products needed in 2021 and beyond. The TRIPS Council's objective on this specific discussion, under this temporary Waiver proposal, should be to overcome barriers to achieve equitable and timely access.

4.85. We welcome any initiative by Members that aims to address the challenges of unhindered and adequate supply of vaccines, therapeutics and medical equipment for the treatment of COVID-19. Every proposal should be understood on its own merit. We also believe that our proposals should complement each other. None of our initiatives should slow down our common goal that aims to scale up the production of COVID-19 specific vaccines and therapeutics and diversify their distribution globally. If we continue to spend our time only on the legality and legitimacy of the proposals and not on the substance, we are not doing justice to the severity of the public health crisis. And time is of the essence. We cannot succumb to commercial interest of a few jeopardising the lives of millions. On this issue, my delegation looks forward to engaging constructively with Members.

4.86. The representative of Republic of Korea delivered the following statement:

4.87. I thank Ambassador Sørli for the status report, which I find reflecting in an objective manner the actual discussions undertaken at the TRIPS Council. I appreciate his continuous efforts to keep this process inclusive and transparent.

4.88. Like others, my delegation is of the view that any agreement, if reached, on IP-related issues at the TRIPS Council should serve eventually as part of the broader package of the WTO's response to the pandemic. However, in spite of the current difficulty and ensuing lack of progress in securing the convergence of opinions on IP-related issues, Members are still expected to continue with the Facilitator-led process of preparing the overall package of trade and health, which is essential for MC12. Korea hopes that Members continue to discuss the IP related proposals in an open and constructive manner and take the pragmatic and practical approach so as to find a solution in time.

4.89. The representative of Nepal delivered the following statement:

4.90. I thank the Chair of the TRIPS Council for his status report and also appreciate his skilful leadership in engaging members for fruitful discussions in this agenda. My delegation wishes to associate with the statement delivered by Chad on behalf of the LDC group and South Africa and India on behalf of the proponents.

4.91. It has been a year since this proposal submitted to the TRIPS Council. More than 3.6 million lives were lost due to COVID-19 pandemic since the submission of the proposal, but we have not been able to deliver any concrete result. A large part of the Membership is in favour of concluding text-based negotiation based on the revised proposal. Nepal is in favour of the proposal since the beginning, and now strongly support as a proponent of the proposal to successfully conclude and deliver with a view to saving millions of lives across the globe.

4.92. The representative of Turkey delivered the following statement:

4.93. We would like to join other members in expressing our support to the status report presented by TRIPS Council Chair, Ambassador Sørli. We appreciate his leadership and efforts. The question on how to construct the WTO's contribution to the global fight against COVID-19 is very crucial for all of us. That is why we highly appreciate our discussions at the TRIPS Council and other WTO bodies. We all agree on the need for affordable and rapid supply of vaccines.

4.94. There are two different approaches at the TRIPS Council for delivering a swift response to possible IP-related issues, and Members continue to be divided regarding the advantages of these two different proposals. We believe that both have their own merits and they are not necessarily alternatives to each other. We should aim for a meaningful, timely and effective outcome on this matter. For this, we believe that a constructive engagement and a result-oriented approach is needed. It is high time to try to bridge the gaps and find a landing zone.

4.95. The representative of Zimbabwe delivered the following statement:

4.96. We align ourselves with the statements delivered by Mauritius and South Africa on behalf of the Africa Group and the co-sponsors of the TRIPS waiver, respectively. We thank the Chair of the TRIPS Council for the good work he is doing and the status report he provided. As we take the floor today, Zimbabwe is currently emerging from the tragic impact of three waves of COVID-19 infections and deaths, the most recent episode was driven by a major upsurge in Delta variant cases. The downward trend has largely been driven by the steady implementation of our national vaccination roll-out programme and the sourcing of vaccines for our people from Russia, China, and India. That notwithstanding, we have a great deal of ground to cover if we are to attain our target of 60% of our population being fully vaccinated before the end of 2021.

4.97. As we all know, global vaccine shortages, as well as uneven and inequitable distribution, are partly attributed to manufacturing capacity constraints, vaccine nationalism, vaccine export restrictions and a range of other factors. The proposed waiver from certain provisions of the TRIPS Agreement for the prevention, containment and treatment of COVID-19 remains one of the most obvious remedies towards addressing those shortages, and towards rapidly increasing manufacturing capacity, wherever possible and practical, thereby ensuring enhanced supply and with it, enhanced safe, equitable, and timely access to COVID-19 vaccines and therapeutics.

4.98. As co-sponsors we have shown great flexibility and accommodation as evidenced by our revised proposal in document IP/C/W/669/Rev.1. which was issued on 21 May 2021. We continue to engage in various formats, including informal, small groups, and open-ended meetings on the duration, scope, and implementation of the proposal on a waiver. However, we bemoan the painfully

slow pace of discussions. We believe that it would send a positive message to the world if Members were able to agree on the waiver proposal in time for MC12.

4.99. We noted the proposal by the European Union on a proposed draft General Council declaration on the TRIPS Agreement and Public Health in the circumstances of a pandemic, issued and circulated in IP/C/W/681. This proposal is by no means a substitute for the waiver proposal and should be discussed in parallel to the waiver proposal. We have expressed our concerns and comments on this proposal and pointed out its shortcomings in addressing inequitable vaccine distribution, shortages and access. As we reach closer to MC12, in the next few months, Members need to be cognizant of the urgency involved, and we emphasize the need for both collaboration and flexibility in the search for a practical way forward

4.100. The representative of Brazil delivered the following statement:

4.101. We want to thank the chair of the TRIPS Council, Ambassador Sørli, for his factual report on the state of negotiations regarding the proposal for a waiver to the TRIPS Agreement and other Members for their proposals. We share Ambassador Sørli's assessment that disagreement persists on fundamental questions of the discussions and no consensus was possible so far. We recall that a decision in this item will necessarily require a certain degree of compromise from all parties involved.

4.102. Brazil remains committed to a result in trade and health for MC12 that includes intellectual property. We have been engaging constructively with the discussions in the TRIPS Council and offered possible landing zones for a result in IP. We specifically stated our willingness to discuss targeted reforms of the TRIPS Agreement that would facilitate the use of TRIPS flexibilities. We continue to be open to discussing other compromise solutions Members might have.

4.103. We welcome recent developments that have led to more partnerships and the increased productive capacity announced in developing countries. Members and the private sector should continue to develop creative and long-term solutions to address the current imbalance in productive capacity - one of the reasons of the imbalances in world vaccination rates.

4.104. As this delegation has reiterated on several occasions, Brazil wants solutions that empower all Members in their response to the challenges we are currently facing. Further improving and clarifying the flexibilities within the IP system to deal with health crises is one among other important contribution the multilateral trading system could offer to deal with this and future pandemics. You can count on our engagement to continue to work to that end in the months ahead.

4.105. The representative of Egypt delivered the following statement:

4.106. At the outset we would like to associate ourselves with the statement made by Mauritius on behalf of the African Group and by South Africa and India on behalf of the TRIPS waiver co-sponsors; and we would like to thank the Chair of the TRIPS Council for his report today and his sincere efforts in steering the discussions in the TRIPS Council.

4.107. We are all facing unprecedented challenges and it is clear that the current flexibilities in the TRIPS Agreement and the global initiatives to provide vaccines to those in need are not enough to help in scaling up production and achieving the equitable distribution of vaccines in order to put an end to the pandemic. According to the WHO, more than 50 countries — many of which are in Africa — missed the target to vaccinate 10% of their residents by September 2021, and the overall vaccination rate in Africa remains under 4%.

4.108. As the discussions continue in the TRIPS Council, the vaccine inequity is fuelling this pandemic and the infection rate and death toll are increasing in many parts of the world especially in low income countries. We also risk that new variants will continue to emerge and allow the negative impact of the pandemic on the global economy to deepen. We believe that the co-sponsors of the Waiver proposal have already shown the needed flexibility in the discussions and we call on all members to continue to engage constructively in solution-oriented mode that will enable us at the end to ramp up the production of vaccines and address the vaccine inequity.

4.109. The representative of Maldives delivered the following statement:

4.110. In May this year, the WHO set a global goal to fully vaccinate 10% of every countries' population by 30 December 2021. We are sad to note that only 15 African countries have been able to fully vaccinate 10% of their population against COVID-19 and almost 90% of high-income countries have met this target. These figures show why we need to redouble our efforts to overcome the challenges related to vaccine equity. To address the global supply shortage and to promote equitable access, we need to urgently address the intellectual property challenges. In this regard, an exceptional waiver for certain provisions of the TRIPS Agreement for the prevention, containment and treatment of COVID-19 will assist in scaling up production and enhance equitable and timely access to affordable medical products, including vaccines and medicines for all. Maldives, as a co-sponsor of this exceptional waiver, is hopeful that all WTO Members will work together in global solidarity and agreeing on moving forward with text-based negotiations with the aim of providing universal access to COVID-19 vaccines, testing, treatments and other products to control the pandemic and to reach sustainable development goals. In this regard, I would like to echo previous speakers in calling for accelerated efforts to achieve substantive progress through textual discussions and reaching a positive outcome with regard to the proposed waiver in the interest of time.

4.111. The representative of Sri Lanka delivered the following statement:

4.112. Sri Lanka also wishes to join previous delegations who commended the Chair of the TRIPS Council on his efforts, and echo their disappointment that Members have not been able to find a solution from the WTO context to the current severe shortages of vaccines and other related medicines required for treating severely ill patients, through the proposed waiver as the key deliverable mode for durable and reliable solutions.

4.113. The situation related to COVID-19 in small countries is complex and diverse. They face different challenges, mostly disadvantages which can be identified as regards their exposure to the virus and their capacity for response. Small countries are more exposed. Due to the increasing ease and affordability of air travel and mobility of people, transmission of airborne, food-borne and vector-borne infectious diseases have become an important public health issue. As a country which does not have manufacturing capacity, Sri Lanka is naturally compelled to secure the vaccines and other related medicines for treating severely ill patients from the global supplies.

4.114. While there is no universally agreed level, considering the emergence of new variants, many experts agree that a country should vaccinate around 80% of its population to achieve herd immunity against COVID-19. This translates to 17.5 million Sri Lankans. Thanks to the supplies provided through the COVAX initiative, generous bilateral donations in kind and in funds and procured at cost, Sri Lanka has achieved certain milestones in the inoculation of its population. 52% of the population have received both doses and around 80% at least one dose. This success is due the availability of the required amount of vaccines, though they were received quite late due to the severe shortages of supplies, prompting the government to impose long time closures to contain the spread of delta variant. Could we be happy with such good outcomes achieved by Sri Lanka, when the world populations in certain parts are still struggling to ensure the supplies?

4.115. Let me share a classical example of another medicine which has the potential of getting the severely ill covid -19 patients out of danger. The ACTEMRA/ROACTEMRA (TOCILIZUMAB) injection has been authorized in its emergency use on very critical hospitalised COVID-19 patients. Due to the worsening situation of the COVID-19 pandemic in the country and the high rate of resultant deaths, TOCILIZUMAB has also been included in the WHO Therapeutics and COVID-19 living guidelines, based on the body of evidence.

4.116. In this respect, it is pertinent to mention that Sri Lanka, being a lower-middle income country, not having its own robust domestic pharmaceutical industry, was compelled to depend solely on imports. Sri Lanka reported more than 4,000 daily COVID-19 positive cases, and out of that, nearly 2,000 cases were being hospitalized daily and the prevalence of critical or life threatening situations of the positive COVID-19 cases are also drastically increasing at the moment. Out of the hospitalized cases, nearly 70 - 80% of the cases are oxygen dependent and a large portion of that is above 50 years of age. Almost all of the above 50 years age patients require ICU admission care.

Accordingly, TOCILIZUMAB injection is widely used to save the lives of ICU admitted and oxygen dependent patients.

4.117. In pursuit of taking every effort to minimize the daily increasing death rate, Sri Lankan Government Hospitals required a minimum of 20 vials of TOCILIZUMAB 400 mg injection per day. The quantities ordered by State Pharmaceuticals Corporation of Sri Lanka were, therefore, commensurate with this actual ground situation. But after making valiant efforts, we failed to secure the required quantities which resulted in going up the death rate. There can be many empirical evidence to show on an array of related medicines. Recently we heard, there are unusual aftereffects that are detected on many COVID-19 patients, including children.

4.118. As the waiver proposal of IP/C/W/669/Rev.1 offers an array of solutions to unlock the key issues hindering equal access, we strongly believe that is the best outcome we can deliver at MC12, if we are serious about proving that the WTO is capable of delivering outcomes when mankind needs it mostly. It will therefore be important that a meaningful outcome on the COVID-19 TRIPS Waiver proposal must be agreed before MC12. We appeal to those countries to demonstrate their good faith solidarity and engage meaningfully in the process to arrive at good and workable solutions.

4.119. The representative of the European Union delivered the following statement:

4.120. The European Union would first like to thank Ambassador Sørli for his report and for his efforts in guiding and steering the discussions in the TRIPS Council. The European Union is strongly committed to achieving our common goal to continue ramping up production, to share COVID-19 vaccines and medicines more widely and faster, and to ensure equitable access to these products for low- and middle-income countries.

4.121. Intellectual property-related issues are a part of the trade response to the pandemic. The intellectual property system has played a key role in the development of COVID-19 vaccines and medicines and can play an enabling role in deploying existing capacity or creating new capacity for the production of COVID-19 vaccines and medicines. The European Union believes that it is possible to enhance this role of the IP system while at the same time maintaining the protection required for incentivising technology transfer and investment in innovation, so that we can fight against new strains of COVID-19 and any future diseases. It is to this end that the European Union has put forward a proposal on the clarification and facilitation of the use of compulsory licensing system.

4.122. The European Union appreciated the possibility provided by the informal meetings of the TRIPS Council and small group meetings to discuss the issues of scope and implementation of the revised waiver proposal and the EU proposal. The discussions have been helpful to understand the positions of various delegations and to identify important points of convergence. The results are encouraging in our view.

4.123. The European Union proposal is meant to clear any doubts that persist about the use of the IP system and to indicate ways in which the compulsory licensing system can be used in a fast and simple manner that is fully adapted to the challenges of the pandemic and to the need to support the local production on the needed vaccines, medicines and diagnostics.

4.124. We encourage all WTO Members to try to find agreement on the basis of the points of convergence identified in our discussions. We need a solution that is pragmatic, targeted and effective in responding to the current needs, while keeping intact the necessary incentives for innovation. It is through the targeted approach that we believe we can advance in our discussions on the intellectual property element of the WTO response to the COVID-19 pandemic and also pave the way for advancing on the other parts of the needed comprehensive approach.

4.125. We are committed to continue constructively engaging in the discussions in the TRIPS Council and in the small group consultations. In addition, we are ready to consider any other proposal that may contribute to our common goals. Finally, we would like to emphasise that the intellectual property aspects are only a part of the multi-pronged approach proposed by the European Union. And we call on all Members to engage in discussions on all elements of this approach as only this way we will be able to adequately respond to the current crisis.

4.126. The representative of Namibia delivered the following statement:

4.127. We appreciate the effort by South Africa and India on behalf of the co-sponsors for the constant position in responding positively and addressing concerns of other Members. Namibia fully supports the statement delivered by Mauritius on behalf of the African Group. The pandemic won't end soon until such time when all countries have secured access to safe, affordable, effective and quality COVID-19 vaccines and other therapeutics for the treatment and containment of COVID-19 the flexibilities are provided under the Marrakesh Agreement establishing the WTO, specifically the flexibility to grant a waiver under Article IX:3. Therefore, we believe that the WTO has an important role to play in saving humanity. Therefore, we need to be sincere and work in solidarity for a pragmatic solution to prevent the further spread of the COVID-19 virus. It is against this backdrop that we fully support a conclusion of the waiver on this subject matter and move towards text-based negotiation.

4.128. The representative of Indonesia delivered the following statement:

4.129. Indonesia would like to thank the Chair of the TRIPS Council for his oral report which reflects how unfortunate the current state of play of the negotiation is. We would like to associate ourselves with the statements made by South Africa and India on behalf of the co-sponsors. It is without doubt that COVID-19 is now the greatest and most immediate challenge to the world while part of the world's countries is making good progress vaccinating their citizens against COVID-19. Most low- and middle-income countries are still struggling to get enough doses just to protect the health of front line workers as well as their most vulnerable. Indeed, 66% of people in high income countries have so far received at least one shot of COVID-19 vaccines, compared to 2% of people in low-income countries. It is distressing that 80% of the vaccines have gone to high- and upper middle-income countries while low-income countries have received less than 1% of the vaccines. Nineteen months into the pandemic we have witnessed the death of over 4.8 million people. Like others, we believe that the current situation with persisting vaccine inequity exacerbated by the problems with bottlenecks and supply chain disruption shows how inadequate the current system is in resolving the problem. It is clear that a comprehensive and holistic approach is needed and everyone include in this organization must do their part. We must make the call including those from the Director General of the WHO, that the TRIPS waiver is needed as part of the solution to combat COVID-19. With less than two months left before MC12 we need to speed up our work and show good faith in resolving this issue. In this regard, we should move past conceptual discussions and repeating the same questions and answers. Indonesia echoes what other delegations have said and urge the TRIPS Council to move towards a real text-based negotiation of the TRIPS waiver.

4.130. The representative of Chad, on behalf of the LDC Group, delivered the following statement:

4.131. We welcome the tireless efforts by the Chair of the TRIPS Council in order to progress our discussions on the critical issue of access to COVID-19 vaccines. We would like to thank all Members for their engagement during this global crisis which requires an urgent and effective response. We have heard this many times from previous speakers. I would add that we must ensure that intellectual property, which is an important lever, does not constitute a roadblock. Indeed, as many Members have remarked, a year has already gone by since the initial proposal for a waiver was put forward by India and South Africa. This is why we call all Members to now conclude negotiations in time for MC12. The discussions that we had this morning are in some ways a prolongation of all of the work of Ambassador Sørli and also an extension of the highly interesting discussions we had a few days ago at the OECD in Paris. We do not think there should be dogmatic or ideological issue and we welcome the position of flexibility demonstrated by South Africa this morning. The status quo does not suit anyone.

4.132. The representative of Thailand delivered the following statement:

4.133. I also thank Ambassador Sørli for his tireless efforts in facilitating the discussion on the Waiver. Like others, this is a very important issue for us, we would like to see the results of the issue on the WTO responses to the pandemic being included in MC12. Having said that, I recognize the difficulties that Members have in discussing these very complicated issues. From our experience, I would like to share a few numbers. The death toll from COVID-19 in Thailand totalled only about 17,418 people which is not a lot compared to others. We have had infection of 1.68 million people out of about 68 million population, but these relatively low figures have come at a very severe

economic cost because we achieved this out of a very, I would say, hardcore lockdown. We sealed off the country from international trade, we sealed a lot of domestic activities and therefore this year we sadly may have to experience little economic growth.

4.134. Our experience in vaccinating our population is also very slow. Right now we have reached only about 33% of fully vaccinated people, and with a first dose 51% of the population. This, I would say, is not very low but it is not very high, it is relatively low. Our vaccination is also coming despite the fact that Thailand has vaccine manufacturing in the country, we have licensing agreements with some vaccine producers from other countries, we also have been beneficiaries of donation, our vaccines are from our friends around the world. So, from our experience here we think that access to vaccine is the most important issue right now for Thailand. Many people in the country would hesitate to go to fully relaxing, going back to normal, without enough vaccines, so for us the access to vaccines is the number one priority.

4.135. Having said this about our experience, let me touch upon the discussion in the WTO a little bit. Because of what has been unfolding in our country, we think that access to vaccines should be given priority, and we would prefer to have discussions in the next phase in the WTO focus mainly on vaccine issues. Given the limited time we have, Thailand thinks that other therapeutics and supplies of some other medical products can be discussed later. On the issue of the waiver, from our view, we do not think that either CL or waiver is the only answer for vaccines. Our viewpoint is that the whole pandemic response must be looked at from a holistic approach.

4.136. My last point is that I have heard the views from both sides of the discussion, we have heard developed countries, we have heard South Africa, India and other developing countries positions. We are sympathetic and understanding of everybody, but we hope that there will be a common landing zone found soon on this important matter. The waiver and intellectual property are legal vehicles for the treatment of the pandemic, we need to look at some other things too but right now let's try to focus on intellectual property related to vaccines first, so we can also look at other related products and measures at a later stage, that is our view at the moment. I wish us all good luck in finding solution for this important matter.

4.137. The representative of Switzerland delivered the following statement:

4.138. Switzerland thanks the Chair of the Trade Related Intellectual Property Rights (TRIPS) Council for his status report. The report rightly notes that Members share the common goal of ensuring global, equitable and timely access to COVID-19 vaccines and medicines. However, Members do not agree on the usefulness of a waiver. My delegation considers that a waiver would be counterproductive and would not help us achieve this common goal.

4.139. The situation is constantly changing. Thanks to a great number of partnerships, facilitated by intellectual property protection, the pharmaceutical industry has increased its production exponentially. These efforts and partnerships, which involve numerous technology transfers, could be jeopardised by the absence of appropriate intellectual property protection. I would like to add that this year has not been wasted. 12 billion vaccines will be produced to treat COVID-19 alone. Let us not forget that before the pandemic, vaccine manufacturing capacity for the treatment of all relevant diseases was 5 billion units. Excess production is expected for the next year, to the extent that a major pharmaceutical company has abandoned its plans to market a high-performing vaccine.

4.140. However, we are still facing serious difficulties. Today, the most acute problems are related to malfunctioning distribution channels. Vaccines do not save lives. Vaccination does. We must therefore address distribution and access problems and work with relevant parties such as COVAX. To address these challenges, Switzerland advocates a holistic approach. Indeed, disciplining trade restrictions, facilitating trade, increasing transparency, as well as setting up a health market information system can make a real difference in ensuring the affordability and availability of essential medical goods.

4.141. Switzerland remains committed to continuing discussions on the proposals made in connection with the work of the Intellectual Property Council, including those of the European Union concerning compulsory licences, in the hope of reaching a mutually acceptable outcome. The aim is, on the one hand, to develop solutions that preserve the incentives for innovation and increased

production through industrial partnerships and, on the other hand, to ensure equitable access that is as comprehensive as possible.

4.142. The representative of Plurinational State of Bolivia delivered the following statement:

4.143. We would like to express our deepest concerns with regards to the lack of progress in negotiations and we would like to reiterate our position with regards to the importance of achieving a concrete, serious, solution for this topic. We have seen how unfortunately negotiations have been diverted and we have no substantive results to confront the pandemic, which has taken to date too many lives. These have remained as simple discussions. Our delegation shares experiences with regards to flexibilities of the TRIPS Agreement with regards to compulsory licensing. From our experience, we have seen that the flexibilities are not an effective response, there are cases that do not lead to good results. We think that any efforts to improve flexibilities would be well received, but without commitments for these countries to do, it will not work no matter how far we proceed.

4.144. We regret the lack of commitment by many Members who are achieving effective results given this unprecedented health emergency. A clear demonstration of this commitment was the inclusion of this proposal amongst the considerations of the WTO's response to the pandemic. We also thank countries who have shown their solidarity through the COVAX mechanism and also bilaterally, but the figures do not lie and inequalities persist. There is also no strange situation in technology transfer, production and other underlying topics, so we reiterate our appeal to commit in good faith and to take these exceptional actions which should lead to a solution and which should enjoy wide support from Members for a fair and balanced response.

4.145. The representative of Singapore delivered the following statement:

4.146. We support the TRIPS Council Chair report. Allow me to make three points. First, Singapore supports the continuous discussion of all proposals that are on the table as laid out in the Chair's oral report. We are now seeing a resurgence of infections in many parts of the world and we must continue our efforts to consider all proposals given that ramping up of vaccine production is a complex endeavour and there is no silver bullet solution. Second, we are encouraged to see some Members on both sides of the aisle trying to engage constructively to find convergence between the proposals. For example, during the small group consultations by Ambassador Sørli, Members have attempted to find areas of convergence by identifying gaps in Articles 31 and 31bis of the TRIPS Agreement and how a waiver could address these gaps. This is a step in the right direction, and if Members continue to engage bilaterally or in small groups with the aim of finding a mutually agreeable outcome, there is still hope. Third, as DG Ngozi has emphasized at last week's TNC meeting, with an analogy of bargaining at the market, compromise is the key to a win-win solution. The time for rhetoric and polemic has passed and Members must come to the negotiating table with a give and take mindset, rather than pursuing an "I must win at all costs" approach. More importantly, Members should not just criticize either proposal, rather we should bring concrete suggestions on how the proposals can be improved and exercise flexibility in adjusting the proposals. I end by reiterating Singapore's commitment to continue engaging constructively and working with Members to find a way forward on this issue at the TRIPS Council.

4.147. The representative of the Philippines delivered the following statement:

4.148. The Philippines remains supportive of all international efforts that effectively support affordable and equitable access and distribution of diagnostics, therapeutics and vaccines to contain the COVID-19 pandemic. The Philippines has adopted a constructive position in all relevant regional and multilateral fora, including in ASEAN, APEC, UN, and the WTO. Our trade policy to consistently refrain from imposing export restrictions has allowed for the unhampered flow and rapid customs clearance of vaccines and COVID-related products through the Mabuhay Green Express Lane and the Bayanihan One Stop Shop for critical COVID-19 commodities.

4.149. We note that India and South Africa's proposal to temporarily waive certain provisions of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) to address the COVID-19 pandemic has garnered significant public support and attention. Driven by the objective to ensure supply and access to affordable, safe, effective, and quality vaccines and medicines, the Philippines has voiced support for text-based discussions on this proposal to help clarify and define the initiative's scope, duration and implementation elements. The Philippines is

likewise examining the EU proposal on enhanced compulsory licensing with a view to evaluate how it could potentially allow us and other countries to more easily operationalize flexibilities contained in the TRIPS Agreement and the Declaration on TRIPS and Public Health. The Philippines also thanks the United States for its recent submission contained in JOB/GC/270, submitted on 21 September 2021. As the Philippines continues to engage in these evolving discussions, it is equally important to ascertain which undertaking will yield maximum benefits to countries in terms of ensuring manufacturing and supply of vaccines and medicines, and securing wider access to these vaccines and medicines. We are committed to work towards delivering a concrete outcome to address this public health concern by the 12th WTO Ministerial Conference.

4.150. Intellectual property concerns are one element within a comprehensive strategy to support COVID-19 response and recovery. The Philippines continues to push for ambitious cooperation on trade policy measures, including trade facilitation measures to allow for prompt border clearances for COVID-19 medical products, the elimination or reduction of export restrictions, the temporary and voluntary reduction or suspension of tariffs on essential medical goods, technology transfer, and pandemic preparedness in dealing with future crises.

4.151. The Philippines will continue to explore opportunities to develop local vaccine manufacturing capabilities and support efforts that will improve global trade and production of vaccines. We have proactively pursued an investment strategy that promotes stability and predictability in an open and free market particularly in the pharmaceutical sector. The government has established a green lane for securing permits, licenses and authorizations for the establishment and operation of a form, fill and finish facility for COVID-19 vaccines. The government has also facilitated linkages between foreign pharmaceutical companies and local counterparts with the view to forge collaboration from research and development to manufacturing. The Government will continue to provide investment incentives, and pursue all avenues that will ultimately promote and safeguard the health of our citizens.

4.152. As regards to the WTO's and MC12 response to the pandemic, The TRIPS Council's text-based process on the waiver proposals and Ambassador Walker's role as facilitator are deeply appreciated. We encourage all delegations to cooperate with them and let them take leadership and guide us to deliver by MC12.

4.153. The representative of Japan delivered the following statement:

4.154. To support the efforts undertaken by the COVAX Facility and achieve equitable access to vaccines, Japan has pledged USD 1 billion in total, including at the COVAX Advance Market Commitment Summit that Japan co-hosted in June. In addition, Japan has provided approximately 25 million doses of COVID vaccine to various countries and regions across the world, which is the third largest provision of vaccine in the world so far. Furthermore, at the Seventy-Sixth Session of the United Nations General Assembly (and the Global COVID-19 Summit), Japan announces that, with additional contributions, it will provide up to approximately 60 million doses of vaccine in total. We believe such a framework for multilateral cooperation and efforts by each country are the most effective way to achieve timely, fair and equitable access to medical products.

4.155. Japan will continue to engage in the discussion at the TRIPS Council, carefully listening to the views of the Members on how the intellectual property including the existing TRIPS flexibility can contribute to achieving our common goal of providing timely, fair and equitable access to high-quality, safe, efficacious and affordable vaccines and medicines for all.

4.156. The representative of Peru delivered the following statement:

4.157. We would like to thank India, South Africa and all of those who have co-sponsored the proposal for the efforts they have undertaken to try to achieve an agreement. We also recognize the other Members for their constructive participation in the various meetings which have taken place to date. Peru believes it is urgent to adopt joint actions to combat the COVID-19 pandemic, which has turned back by perhaps decades some of the achievements made under the SDGs, especially for developing countries. Peru recognizes vaccines against COVID-19 as a global public good and we think it is urgent to ensure its equitable and timely access as well as access to medication and medical supplies in order to confront this pandemic, of which the extent and impact remains to be fully seen. In this connection, Peru thinks that we should not delay achieving an agreement to ensure

that we can allow vaccines to be produced in other countries, and this way we can guarantee the inclusive, equitable and non-discriminatory access, in line with what was announced in the message from the President of Peru at the General Assembly of the United Nations on the 21 September. Peru is one of the countries in Latin America which has been most significantly affected by the pandemic. We are facing a critical moment and all states here represented need to be guided by the principles of solidarity, efficacy, efficiency, to try to save lives, recalling the fact that we are all subject to the commitment to leave nobody behind.

4.158. The representative of El Salvador delivered the following statement:

4.159. We wish to thank Ambassador Sørli for his leadership and the presentation of his report. We agree with the Members that achieving universal and equitable access to vaccines is the fundamental goal. We deem it necessary to accelerate the progress of this Organization in finding balanced solutions that take into account, on the one hand, the specific challenges faced by the Members to effectively cope with the pandemic, and on the other hand, the value of the current intellectual property system, with its flexibilities and advantages.

4.160. As we have previously stated, in the face of this unprecedented, universal health crisis, responses that are tangible and comprehensive must be provided. As Members of the WTO, we have a tremendous responsibility to contribute to the solution. To this end and also in connection with the preparation of the Twelfth Ministerial Conference, I reiterate the willingness of the delegation of El Salvador to continue working quickly and constructively on the subject of trade and health to help improve the production and distribution chain for vaccines.

4.161. The representative of Kingdom of Saudi Arabia delivered the following statement:

4.162. We express our condolences to all families who have lost their loved ones all over the world. We would like to thank Ambassador Sørli for his tireless efforts and for his report. This item is on the agenda since a long time and we have not seen a big movement that gives us ambitions bearing in mind the short time before MC12. That is why we recall our previous statement and emphasize that the situation is extremely serious and there is no more time to lose. What we are facing now is an urgent need to take an action, we urge all Members to cooperate and show the necessary flexibility to ensure that the vaccines are affordable for all. Before I conclude, I would like to refer to the proposal "COVID-19 and Beyond" in document WT/GC/W/823 and that I am pleased to announce the Kingdom of Saudi Arabia as a co-sponsor to the proposal which we think is the minimum response in this regard and should not undermine the ongoing proposals, discussions, including the IP waivers to ensure the predictability and the equal distribution of vaccine across the world. No one is safe until everyone is.

5 PREPARATIONS FOR THE TWELFTH SESSION OF THE MINISTERIAL CONFERENCE

5.1 MC12 OUTCOME DOCUMENT – REPORT BY THE CHAIR⁸

5.1. The Chair recalled that work on a possible MC12 outcome document had resumed immediately after the summer break. That work had taken account of, and had built on, all the Chair's consultations since April, and referred to earlier reports contained in JOB/GC/259, JOB/GC/262 and JOB/GC/268. This report should be read in conjunction with those earlier reports.

5.2. Since the resumption after the summer break, consultations had continued in a range of configurations and formats. They included consultations with individual delegations and group coordinators from 6 to 8 September and then again on 29 September; meetings in a smaller group format on 14, 21 and 23 September and 5 October; and, to ensure transparency and inclusiveness, he had also convened two Informal Meetings of the General Council on 16 September and 23 September.

5.3. Based on the views and suggestions expressed by Members during his consultations in early September, the Chair had reported during an Informal General Council meeting that work could begin on a possible, concise outcome document divided in two parts: Part I comprising (i) the context in which MC12 takes place; (ii) some broad political messages; and (iii) guidance from Ministers on

⁸ The Chair's statement was circulated in document JOB/GC/274.

additional elements Members may agree on; and Part II, which would make reference to or list separate individual decisions, work programmes, declarations or reports that were the subject of ongoing work in various processes – under the TNC and its subsidiary negotiating bodies, or the GC and subsidiary bodies.

5.4. The focus in this process, in his capacity as Chair of the General Council, was to assist Members with Part I.

5.5. Guided by that, and in line with what he had heard from Members during my consultations, work had taken place in a small group format to ensure efficiency and avoid diverting attention from other ongoing work. As the Chair had reported to the Informal General Council meetings, that small group was broadly representative – comprising all group coordinators and several other delegations. Transparency was being ensured through group coordinators who kept their constituencies abreast of the ongoing discussions and fed the views and suggestions back into the process, as well as through his regular reports at Informal General Council meetings.

5.6. To start work, the Chair had presented, under his own responsibility, a basic, draft skeleton of a structure for a possible outcome document, and he also raised some questions on the sub headers of the draft skeleton. He had also provided a detailed report at the Informal General Council meetings mentioned earlier.

5.7. Based on what he had heard in the preliminary exchanges in the small group, 'context' in Part I should take into account both the external and internal environments in which the Twelfth Ministerial Conference was taking place, namely, the pandemic, the changed trading landscape and the systemic/internal challenges that the WTO was facing. He also took note of Members' views that the broad 'political messages' should mention the need for greater solidarity and collaboration; the role of international trade and the WTO in global economic recovery; a reaffirmation of the principles enshrined in the Marrakesh Agreement; the needs and interests of developing country Members, in particular the least developed amongst them.

5.8. As a next step and taking account of the constructive exchanges, the GC Chair tried his hand at fleshing out the parts on 'context' and 'political messages'. In drafting possible language, he followed Members' guidance to focus on the broader messages, where possible convergence could be detected, and to stay clear of any redlines or language and concepts that might be contentious – mindful that any draft language was without prejudice to differences that might exist among delegations. He reassured Members that in his capacity as Chair of the General Council, he had made every effort to follow that guidance in the process. He trusted that Members could, and would continue to, engage in the exercise in good faith and with due respect for each other's positions.

5.9. Another important point he made was that work towards a possible MC12 outcome document was a Member-led process. Members were not negotiating with the Chair of the General Council. As always, it was the Members that would decide what would go into any agreed outcome document. But work had to start somewhere, and the Chair's consultations since April had been a direct response to calls addressed to him as Chair of the General Council, to help Members start thinking about, and working towards, a possible outcome document – whichever form it might take.

5.10. The small group had had a useful and constructive first exchange on the draft language earlier that week and work would continue in the coming days and weeks. An initial exchange of views had also taken place on what could form part of "Guidance on additional elements that Members can agree on" under Part I. Based on the discussion and initial reactions, he would try his hand at fleshing out some preliminary, draft language under that third sub-heading. As with 'context' and broad 'political messages', that draft language, under his own responsibility, was meant to serve as a starting point, not an endpoint.

5.11. To ensure transparency and inclusiveness, he would continue to convene regular Informal General Council meetings to provide updates to the broader Membership.

5.12. In terms of timelines, the Chair encouraged delegations to continue to work towards a draft outcome document by the end of October. At that point, the Director-General and the Chair considered that it might be useful and necessary to take stock of progress in all areas.

5.13. The Chair thanked all group coordinators and delegations, in particular those who had provided useful guidance and suggestions. He would continue to count on their constructive and active participation.

5.2 WORK PROGRAMME ON ELECTRONIC COMMERCE – REPORT BY THE CHAIR⁹

5.14. The Chair recalled that he had indicated in his July report that he would start consultations on the E-commerce Work Programme and Moratorium following the summer break. He had subsequently invited all delegations to consultations in September. In addition to the delegations that had accepted his invitation to consult specifically on e-commerce, others had shared their views during his consultations on the MC12 outcome document.

5.15. In his introductory remarks to each delegation, the Chair had recalled the need to intensify work towards a possible draft decision for the consideration of Ministers at MC12 and renewed his call to delegations to come forward with proposals on draft decisions that would serve as a basis for further consultations. Furthermore, he had noted that, despite the well-known differences in Members' positions, many had continued to attach importance to e-commerce, particularly in light of the current pandemic. The Chair acknowledged that the pandemic had highlighted e-commerce opportunities as well as its challenges – both of which should continue to be discussed within the WTO.

5.16. To better focus the work in preparation for MC12, the Chair had asked delegations the following questions:

5.17. First, what were the elements delegations wished to see in a Ministerial Decision on the Work Programme on E-commerce?

5.18. Second, in the absence of any specific proposal on a draft Ministerial Decision from Members, were delegations comfortable with using previous decisions as the basis for a possible draft MC12 decision?

5.19. The Chair recalled that, in past decisions, Ministers had generally: taken note of the work done; agreed to continue and reinvigorate the Work Programme; and instructed the General Council to hold periodic reviews and to report to the Ministerial Conference. Ministers had also agreed to maintain the practice of not imposing customs duties on electronic transmissions thereby renewing the moratorium until the next Ministerial Session.

5.20. On his first question, delegations had generally reiterated their views with respect to the moratorium and the Work Programme. Proponents for the moratorium had considered its extension a priority for MC12. They had reiterated its role in providing a stable and predictable trading environment. One delegation had noted that, in a time of unprecedented acceleration of the digital economy, the moratorium was the only contribution the WTO made to digital trade.

5.21. On the other hand, some delegations had said that it would be difficult for them to agree to an extension of the moratorium without clarity on its scope and implications. In that respect, some delegations had indicated the need for further discussions and one delegation had asked that proponents of the moratorium submit proposals highlighting its benefits. One delegation had reiterated its view that the moratorium did not apply to the content transmitted electronically.

5.22. One delegation had noted that there were a number of ongoing studies on the effects of the moratorium on individual countries. It had therefore suggested that Members could consider extending the moratorium pending conclusion of those studies and with assurances that those issues would be looked at, including through a possible stocktake exercise in 2022.

5.23. Another delegation had agreed that Members should continue discussing the scope, definition and impact of the moratorium. However, such discussion should not be a condition for Ministers' decision on extending the moratorium.

⁹ The Chair's statement was circulated in document JOB/GC/275.

5.24. Overall, no delegation had opposed the continuation of the Work Programme – though some delegations had indicated that they could not accept a decision to continue work under the Work Programme without at least an extension of the moratorium.

5.25. A few delegations had called for Members to engage in the Work Programme in letter and spirit and to have specific objectives and timelines going forward. While some delegations had provided elements to be discussed including the development aspects and bridging the digital divide, others had noted that the Work Programme was already broad enough to cover many issues. One delegation had stressed the need to avoid entering into discussions on specific elements of the Work Programme or on definitions, noting the limited time before MC12.

5.26. With respect to his second question, the majority of Members were ready to work on the basis of previous decisions, notably MC11. Some had preferred a slimmer decision without too many details or specific dates. Several delegations had noted that previous decisions did not clarify the scope of electronic transmissions and it would thus be difficult to agree to another extension of the moratorium on that basis. Other delegations had said that, although previous decisions did not include a permanent moratorium, they were open to consider another extension as a compromise.

5.27. Some delegations had mentioned the link to the TRIPS moratorium on non-violation and situation complaints and how they expected that link to play a role in the final decision. Others were less certain about whether the trade-off was still relevant.

5.28. In conclusion, with respect to priorities and the work going forward, Members' views continued to diverge. Nonetheless, the Chair appreciated the flexibility and solution-finding approaches that had been taken by many delegations. He hoped that that spirit could guide the discussions going forward.

5.29. As he had mentioned in July, the Chair emphasised that, given the Member-driven nature of their work, any decision on the way forward with respect to both the moratorium and the Work Programme was in Members' hands. In his consultations, he emphasised the need to have something to submit to Ministers for their consideration and decision at MC12.

5.30. In that respect, he was encouraged that some delegations had indicated their readiness to submit draft texts, possibly before the November Council. As Chair, he remained ready to facilitate further consultations. The Chair called on Members to be pragmatic, constructive and to listen to each other so as to find middle ground. He reminded Members that time was not on their side – they must do their best to progress on that matter.

5.3 WTO RESPONSE TO THE PANDEMIC – REPORT BY THE FACILITATOR¹⁰

5.31. Ambassador David Walker (New Zealand), Facilitator for the WTO response to the pandemic, provided the following report:

5.32. Since my first report to the General Council on 27 July (JOB/GC/269), I have undertaken consultations and meetings with the aim of ensuring an informal, active and frank exchange among delegations.

5.33. As I had announced in July, I convened a series of thematic sessions in September. Five sessions have taken place, on 1, 8, 13, 15 and 21 September respectively. These sessions have focused on six themes, namely: (1) export restrictions; (2) trade facilitation, regulatory coherence and cooperation, and tariffs; (3) the role of services trade; (4) transparency and monitoring; (5) collaboration with other organizations and engagement with key stakeholders; and (6) a framework for future pandemics and crises. In addition to these thematic sessions, I also held consultations and meetings with delegations in different configurations.

5.34. The purpose of my report today, which I make on my own responsibility, is to provide you with an update on discussions, without prejudice to the views of any particular Member.

¹⁰ The Facilitator's report was circulated in document JOB/GC/273.

5.35. Overall, discussions suggested support for a holistic approach in formulating the WTO's multilateral response to COVID-19. The exceptional character of the current crisis – in terms of human losses and economic and social challenges – was stressed, as was the importance of a meaningful and credible outcome at MC12. At the same time, the need to be pragmatic and to focus, on a priority basis, on those issues on which consensus can be found in time for MC12 was highlighted.

5.36. For each topic, delegations were asked to consider priorities and identify elements that could be the basis for an outcome in the various proposals made by Members. I also asked delegations to consider their priorities in relation to the elements compiled by Ambassador Spencer and Ambassador Tan in RD/GC/14 after the consultations they undertook before the summer.

5.37. For many of the topics discussed, delegations found that the elements in RD/GC/14 provided a useful basis for further consideration. It was also recognized that Members comprising over 80% of world GDP have collectively pledged to ensure that any emergency trade measures designed to tackle COVID-19, if deemed necessary, are targeted, proportionate, transparent, temporary, do not create unnecessary barriers to trade or disruption to supply chains, take into account the interests of the most vulnerable countries and are consistent with WTO rules.

5.38. Discussions highlighted that the type of outcome on this issue would be a political declaration, and not a new legal instrument seeking to alter existing rights and obligations under the WTO Agreements.

5.39. In moving forward, delegations have generally emphasized the need for better coordination and coherence, transparency, and up-to-date information. Applying, as relevant, across all thematic areas, the valuable role of the Secretariat, with its neutrality and accountability preserved, as well as the importance of the Member-driven nature of the WTO, were also mentioned.

5.40. As I indicated in earlier occasions, the proposed TRIPS waiver is under consideration in the TRIPS Council and has therefore not been the subject of my consultations. That said, a number of delegations noted that an outcome in that area was critical for the adoption of an overall outcome on the WTO's response to the pandemic. Some have also suggested to consider how and when best to align the TRIPS Council process with the consultations I have been facilitating.

5.41. I will now take up each theme, in the order they were taken up, and give you an overview of discussions.

Export Restrictions and Prohibitions

5.42. A large number of delegations attached high priority to a meaningful outcome at MC12 on the use of export restrictions and prohibitions in the context of the pandemic.

5.43. It was noted that export restrictions have a severe impact on the availability of essential products needed to combat the COVID-19 pandemic. Restrictions on essential inputs also disrupt global supply chains and, as a result, hamper our collective ability to increase global production of essential products, such as vaccines.

5.44. In that context, discussions underscored the importance of clearly affirming our political resolve to keeping markets open and commit to using export restrictions only as a last resort option. This could be complemented with a commitment to avoid new restrictions and regularly review whether existing restrictions are still needed or whether they can be rolled back. In case new restrictions were being considered, a set of general guiding principles could be followed.

5.45. In addition, enhanced transparency and monitoring tools may be needed to keep track of real-world developments in this area and the observance of these commitments. Given the unprecedented nature of the pandemic as a truly global crisis, it was considered that it would be useful to discuss additional parameters and transparency and monitoring provisions for the use of export restrictions and bans during such crises. It was suggested to tackle this as part of a work programme to be initiated after MC12.

5.46. Finally, it was also noted that restrictions and bans had been introduced because of shortages in the supply of essential products such as masks and vaccines. This highlighted the need for further work to promote more resilient supply chains, including by increasing global production for such products and diversifying their production in different regions.

Trade Facilitation, Regulatory Coherence and Cooperation, and Tariffs

5.47. There was broad convergence on experience sharing. Delegations supported deepening their understanding and learning from each other's policy responses to the challenges created by the pandemic. In that context, dedicated events, compilations or studies can help identify best practices and prepare recommendations or guidelines in the areas of trade facilitation and regulatory cooperation. This work could be continued in regular bodies such as the Trade Facilitation Committee, the Technical Barriers to Trade Committee, and the Market Access Committee.

5.48. Another area of interest concerns the acceleration of implementation of trade facilitation reforms. It was recognized that this would need to be done on a voluntary basis, depending on the capacity of each Member. Going forward, Members could also explore additional measures to streamline import and export procedures, such as the digitalization of trade procedures and the streamlining of conformity assessment procedures.

5.49. Many delegations called for further work in the WTO to address regulatory bottlenecks affecting production and supply of essential medical goods. Simplifying regulatory procedures and promoting the sharing of regulatory dossiers and data was mentioned. Participants also exchanged different views regarding the recognition of vaccine approvals.

5.50. On tariffs, Members acknowledged that tariff reduction or elimination can help facilitate access to essential health products during a pandemic. Individual Members or groups of interested Members may therefore wish to pursue temporary or permanent tariff reductions on a voluntary basis. In so doing, the indicative list of critical COVID-19 vaccine inputs prepared by the Secretariat was mentioned as a possible useful reference tool.

The Role of Services Trade

5.51. Discussions underscored the importance of the role of trade in services in the context of the WTO's trade response to COVID-19.

5.52. The importance of facilitating the international operations of services suppliers involved in the production and distribution of vaccines and other medical products in sectors such as logistics, transport and distribution was stressed. Broad support was expressed for the sharing of experiences to establish best practices regarding such facilitating measures. The suggestion to share experiences on the facilitation of health services was also discussed.

5.53. The impact of the pandemic and of measures to protect public health on services sectors was underscored, including the trade impact on developing countries. The broader relevance of services trade for the recovery was also stressed.

5.54. The value of a political message urging to avoid the introduction of new barriers to trade in services was pointed out. The importance of removing COVID-19-related public health measures that inhibit services trade once conditions permit was also underscored.

5.55. Participants also exchanged different views regarding the facilitation of the movement of essential workers as well as on the recognition of vaccine certificates and their trade impact.

Transparency and Monitoring

5.56. Enhanced transparency and monitoring of measures taken in response to the pandemic emerged as a clear priority for most delegations.

5.57. The need for full compliance with existing notification obligations was highlighted, as was the need for a more effective real-time monitoring of measures taken in response to the pandemic.

5.58. For this reason, there were also calls to reaffirm our commitment to timely and comprehensive notifications, explore gaps in the existing notification procedures and seek solutions to improve the scope of the information that is available with the Secretariat. It was suggested that this could be further tackled as part of a work programme to be initiated after MC12.

5.59. In addition to notifications, the importance of the trade monitoring exercise was recognized, with the idea expressed that Members affirm their commitment to fully engaging in the preparation and discussion of the trade monitoring reports.

Collaboration with other International Organizations and other Stakeholders

5.60. The importance of close collaboration with other international organizations and stakeholders was widely recognized. Delegations recognized and expressed support for the WTO Director-General's contribution to making the WTO part of an integrated global response to the pandemic and her promotion of collaborative efforts, including through high-level dialogues with international organizations, the private sector and other key stakeholders.

5.61. Continuing and intensifying the collaboration with other relevant international organizations, including WHO and WIPO, was encouraged.

5.62. As part of the way forward, support was expressed for the WTO Secretariat to monitor trade flows, gather relevant information and analyse gaps in collaboration with other international organizations, as well as to collect data from the private sector to assist Members in their response to the pandemic.

Better Preparedness and a Framework for Future Pandemics and Crises

5.63. Many delegations expressed the view that an outcome on trade and health should address both the WTO's response to the current pandemic and its ability to cope with future crises. To this end, a framework to guide the WTO's work post MC12 on how to make the multilateral trading system more resilient and better prepared to future crises was proposed.

5.64. It was suggested that, based on exchange of information and sharing of lessons learned, such a framework could build on the lessons learned in the current pandemic and set out guidelines and best practices for more coordinated responses in the future.

5.65. Delegations also identified specific elements that could be covered by the framework. These include issues relating to trade facilitation; export restrictions; regulatory coherence; transparency, and monitoring; scaling-up of production and distribution of essential goods; services and crisis preparedness and resiliency; and coordination with relevant stakeholders, including international organizations and the private sector. It was also observed that the framework could enable Members to better leverage the knowledge generated by the networks being created by the Director-General to coordinate among relevant international organizations and development agencies, and to better harness the Secretariat's analytical work in support of the Members.

5.66. Several delegations emphasized that such a framework for future preparedness should be developed within the existing mandate and institutional structure of the WTO, with a process for coordination of work undertaken. It was also stressed that the framework should set out clear timeframes, with shorter timelines for reports and stock-taking for work on the immediate COVID-19 response, which would be the initial focus.

Concluding Remarks

5.67. I want to thank all delegations that put forward their views and ideas during these consultations. I think that we are united in our understanding that the WTO needs to formulate a credible multilateral response to the pandemic.

5.68. Regarding the way forward, should the Chair wish, I will be looking to take these discussions forward in the coming weeks through different configurations that would allow us to undertake a frank and solutions-oriented text-based discussion. I would continue to report on this process

through open-ended informal meetings, as well as formally to the General Council, at the invitation of its Chair.

5.69. H.E. Mawine G. Diggs, Minister of Commerce and Industry of Liberia delivered the following statement:

5.70. I would like to thank you for the opportunity to intervene in this meeting today as WTO Members prepare for MC12. I am speaking on behalf of the g7+ WTO Accessions Group in my capacity as co-coordinator of the Group together with Timor-Leste.

5.71. Let me recall that the Group, established on the margins of MC11, represents nine fragile and conflict-affected LDCs associated with WTO accessions, comprising three Article XII LDCs, Afghanistan, Liberia and Yemen; and six acceding LDCs, Comoros, Sao Tome & Principé, Somalia, South Sudan, Sudan and Timor-Leste; joined by the goal of using economic integration through WTO membership to promote peace and stability. The Group is also a sub-set of the g7+, an association of 20 fragile and conflict-affected states (FCS) where 1.5 billion people live today. As you may recall, until the end of last year, the Group was led by Ambassador Mohammad Haqjo, former Permanent Representative of Afghanistan to the WTO.

5.72. I am in Geneva this week to celebrate and reflect on Liberia's five-year membership in the WTO. As you may know, Liberia was one of the latest Members to join the Organization together with Afghanistan in July 2016. As I said at the anniversary event attended by the Director-General Ngozi Okonjo-Iweala and the ITC Executive Director Pamela Coke-Hamilton on Monday, "WTO accession marked a turning point in Liberia's history aimed at economic transformation for inclusive growth", and "Joining the WTO is not an end in itself but the beginning of the road to the full integration into the multilateral trading system".

5.73. Our membership journey has not always been easy as a fragile and conflict-affected and capacity-constrained LDC, but we are more than convinced that this has been the right one for Liberia. This is especially true for the opportunity to raise the voice of the most vulnerable even among the LDCs, to make the case for trade and WTO membership as a force for good and as a stabilizer for our societies and economies. This is the essence of the Trade for Peace Initiative, now a Programme, which the Group has advocated since the last Ministerial Conference.

5.74. Let me first thank you for your leadership and efforts, together with Director-General Ngozi, in driving the preparatory process for MC12 despite the challenges posed by COVID-19 which has disproportionately affected our peoples. The Group strongly believes that we need to deliver results at the 12th Ministerial Conference – specially to make this Organization more relevant by tackling the issues of vaccine equity, fisheries subsidies, agriculture, and other pressing challenges confronting our day-to-day lives. We sincerely thank all Members for their efforts in closing existing gaps, while acknowledging that the Group has not been able to contribute to your discussions as much as we would have liked as many of us remain outside the system.

5.75. Today, the Group would like to call upon the WTO membership to consider more actions at MC12 to make the multilateral trading system more inclusive and sensitive to the needs of the most vulnerable, fragile, and conflict-affected states (FCS). More specifically, the Group strongly believes that MC12 is the right platform to reconfirm the role of trade and economic integration in promoting sustainable peace and economic prosperity, as the GATT and the WTO did for a large number of economies, and to develop a Work Programme on Trade for Peace for FCS, especially those remaining outside of the WTO.

5.76. For our countries, who have suffered from decades of war, conflict and poverty, the effective WTO membership is a crucial factor in fostering development and prosperity. Trade is critical for our social and economic development, creation of jobs and livelihoods and hence building sustainable peace and stability. However, this can only happen when we are able to get maximum benefit from trade and those benefits trickle down to our citizens. Still, access to free trade is often the subject of lengthy negotiation of rules and regulations.

5.77. Let me remind the esteemed audience how fragile peace can be. We have all been devastated by what happened in Afghanistan just less than two months ago, ironically only a few weeks after they celebrated the 5th anniversary of WTO membership at the end of July. In a joint celebration of

our anniversaries at a UN event, I remember the then Deputy Minister of Industry and Commerce of Afghanistan, Mr. Sulaiman Bin Shah, eloquently outlining his country's triple objectives of "peace-, state- and market-building" embedded in Afghanistan's WTO membership. I believe that Trade for Peace remains as relevant today for Afghanistan despite the politically different circumstances, and the Group calls on the international community, including this forum, not to abandon the people of Afghanistan who have placed their faith in the values of the multilateral trading system.

5.78. The Group is grateful to Director-General Ngozi, Deputy Director-General Zhang and the Secretariat for their support to translate the Group's vision on Trade for Peace into activities since MC11. The support for the Trade for Peace agenda has been overwhelming, not only from the trade community, but also from the peace and humanitarian communities. Many bureaucratic and institutional siloes have been torn down and a new space for multilateral cooperation has emerged in solidarity with the most vulnerable group of countries.

5.79. Now, the Group requests the entire Membership to support and be part of this noble cause. In the coming weeks, the Group intends to develop and submit a WTO Work Programme on Trade for Peace dedicated to fragile and conflict-affected states for consideration by the WTO membership. This Programme shall be action-oriented, building on various activities which have been implemented by the WTO and its partners in the Trade for Peace Network.

5.80. It is also our request that if there is a Ministerial outcome document, which the Group believes is extremely important for the future work of the Organization, the interests of fragile and conflict-affected states be duly reflected in this document. We intend to submit a draft text for your consideration shortly after this General Council meeting and I hope that the Chair would take this into account in his next round of consultations.

5.81. Finally, I would like to inform that the Group plans to hold its second Ministerial meeting on the margins of MC12 to issue another Declaration outlining our vision on Trade for Peace, further to the first Declaration issued at MC11 which can be found in document WT/MIN(17)/51.

5.82. The representative of the Philippines provided the following statement:

5.83. Regarding the first subitem, the Philippines thanks the Chair for his briefings on preparations for MC12 and supports your approach to have a more compact and political text. This would provide us with both the strategic direction and policy space to elaborate work agendas for a more ambitious MC13. The Philippines supports the inclusion of elements related to WTO reform that includes the issue of improved transparency and the need for Ministers to signal their collective resolve to restore the two-tier dispute settlement system no later than MC13. The Philippines would also like to see Ministers providing both principled as well as concrete guidance that would help frame our future work programs in areas such as agriculture, sustainability and protection of the environment, the digital economy and in highlighting the positive role and contribution of the WTO to attaining our leaders mandated SDG's that ideally includes delivering on SGD 14.6.

5.84. Regarding the second subitem, we believe it is important to deliver a decision on Ecommerce given its importance in the global post-pandemic economic recovery. Thus, we reiterate our support in advancing the Work Program on E-Commerce and the extension of the moratorium until the next Ministerial Conference.

5.85. Regarding the third subitem, given the immense challenges and hardships that the COVID pandemic has wrought, the Philippines is in favour of a Ministers delivering a strong message on the WTO's response to the pandemic. We appreciate Ambassador Walker's efforts in integrating the numerous proposals and initiatives that are currently on the table and we look towards the inclusion of pragmatic trade policy measures, such as those contained in the Trade and Health Initiative, that would provide us with the tools to help enhance resilience and stabilize global supply chains. We also concur with those colleagues who have cited the need for a work program to monitor progress on these actions.

5.86. The representative of Nepal provided the following statement:

5.87. My delegation appreciates you, Chair, for your contribution to engaging all Members in developing the outcome document collectively. The LDC Group has already submitted its perspective

and we expect that our submission will be taken into account while finalizing it. Additionally, the outcome document should also take into account the LDC ministerial declaration for the MC12. Regarding the priorities, my delegation would like to recall the views expressed in various meetings and consultations held earlier and would like to reiterate for considering those positively.

5.88. While turning to the work programme on electronic commerce, I would like to recall the views expressed during the consultation with you, Chair, on 13 April and reiterate that both addressing the existing digital divide between and within the countries, and just share of benefit of e-commerce should be ensured through the work programme on e-commerce.

5.89. Similarly, my delegation is of the view that we must be able to come up with a concrete package on WTO's response to the COVID-19 pandemic with special priority to LDCs and LLDCs. Ensuring people at large that the world has access to vaccine and therapeutics would be an important deliberation of the MC12 to rebuild trust in the WTO.

5.90. The representative of Brunei Darussalam provided the following statement:

5.91. Thank you also to Ambassador David Walker on his efforts these past few months as Facilitator-led Multilateral Process on the WTO Response to the Pandemic. As this is the first time I am taking the floor on this matter at the GC, I would also like to recognize and appreciate the efforts of Ambassadors Tan Hun Seng and Cheryl Spencer in their work under the "Informal Sub-Group on the WTO's COVID-19 Response" process which, as Ambassador Walker has mentioned, has also fed into this multilateral process we are discussing today.

5.92. I would like to speak on both the subitems on MC12 Outcome Document and WTO Response to the Pandemic under this Agenda item 5 on Preparations for MC12, together.

5.93. Specifically with regard to the report by Ambassador Walker, we would like to make three points.

5.94. Firstly, on Theme 1 on export restrictions. Brunei was one of those countries that were affected at the start of the pandemic by export restrictions and disrupted supply chains of essential medical equipment and food products, so we strongly see the merit of including this in a Ministerial Document or Outcome.

5.95. Secondly, on Theme 5: Collaboration and cooperation with other international organisations and key stakeholders. The pandemic has shown the importance of working together, not just between countries, but with organisations and the private sector as well. We see this element has been addressed well in the Trade and Health Initiative and encourage others to look into it as well.

5.96. This brings me to my third point on Theme 6 of Ambassador Walker's report, as closer cooperation and collaboration also help enhance resiliency and improve preparedness. We agree and support an outcome on trade and health that establishes a framework or work programme that addresses not just the current pandemic but also that considers what work needs to be done to prepare for such a situation in future.

5.97. We also note that many of the elements we are discussing today have also been covered in the Trade and Health Initiative, so we encourage the identification of common elements under this Initiative as to facilitate a multilateral outcome on this topic for MC12.

5.98. Brunei Darussalam remains committed to continue supporting this process for a strong outcome at MC12 on this matter, and in this regard we look forward to the initiation of text-based discussions to expedite this process.

5.99. In this regard, we would like to thank you Chair for circulating a suggested language for inclusion in an MC12 Outcome Document and for the 3 possible questions you posed for guidance on additional elements, and are things which we can and certainly will consider. Having said that, as they say, the devil is in the details, and so we welcome having extensive discussions on this.

5.100. Brunei Darussalam believes that it is important to have a strong response from the WTO on the COVID-19 pandemic, particularly for MC12, and to demonstrate that the WTO still remains

relevant and credible today, and that it has a real and central role to play in the global economic recovery. This is, in our view, the only way an outcome on MC12 can be meaningful, and we are of the view that the earlier we put pen to paper on this the better.

5.101. The representative of Nigeria delivered the following statement:

5.102. On the outcome document, we wish to commend you for your tireless efforts in developing the outcome document, which you have done through consultations. We must attest to the fact that the process you conducted was transparent and inclusive. The proposed draft element which you presented for consultation to us was very concise and indeed within the context of our expectations based on experience and the current situation. We appreciate the update and we are willing and available to remain engaged in this process until the desired goal of achieving a successful MC12 result. We still need to maintain our position that for MC12 to be successful, Members must remain engaged and they must be willing to be very flexible as well as to narrow the number of the negotiating issues that are expecting outcomes in MC12. The MC12 is very close, the issues are many and still divergencies are also much, therefore we have to narrow our expectations to ensure that we look at the issues that have more convergence so that we can have a fruitful outcome in MC12 and a very successful one.

5.103. On e-commerce, we wish to reaffirm our support for more structured and targeted discussions on horizontal and vertical issues regarding the trade-related aspect of e-commerce on the Work Programme, with the view to setting an inclusive and development-oriented agenda for consideration by Ministers at MC12. Discussions should, among others, clarify the scope as well as address classification issues. The post MC12 agenda should include effective ways of addressing the north-south digital divide and digital inclusion existing within developing countries.

5.104. Finally, on the WTO's response to the pandemic, we thank Ambassador Walker for his report, and we commend the initiative by the WTO for searching very clear measures that the WTO can use to respond to the pandemic. Our delegation appreciates the ongoing process of consultation by Ambassador Walker, we are confident that the outcome of this work may help in finding measures that the WTO could respond not only to COVID-19, rather the future pandemics, especially the six areas highlighted in his report. In this regard, the outcome is expected to also include the TRIPS Waiver as Intellectual Property is key in any solution to respond to the pandemic.

5.105. The representative of Mexico delivered the following statement:

5.106. Welcome to new colleagues joining the organization. I thank you and Ambassador Walker for the reports and tireless efforts. In terms of the outcome document, I would like to state that for our delegation it is very important that we have a Ministerial document that recognizes the current context in the health crisis and the role that our organization can play in the global recovery as well as indications of future work. But given the short time remaining to us we think that we need to avoid what has now been called the X approach and concentrate on topics that enjoy consensus and not waste efforts on divergences that we know will never be resolved. The Ministerial Conference that is agreed upon by all of us will be the best sign that we share an objective and a vision in terms of what our organization should be. We should not have any other Ministerial Conference if it does not contain a deliverable. I would like to refer to previous interventions on the importance of the moratorium on e-commerce, and how important role it plays in critical moments such as the pandemic as well as the need to strengthen the e-commerce Work Programme. Finally, on the WTO response to the pandemic, we think that any outcome should look at the existing architecture of the organization and efforts should focus on those topics which enjoy greatest convergence of positions. It would be a shame that because of our differences we are not able to provide the WTO with an opportunity to contribute to global solutions. To conclude, our limiting factor here is time, but our capacity for understanding and consensus should prevail over our differences so you can count on the agreement of our delegation to arrive at MC12 with these topics resolved.

5.107. The representative of Mauritius, on behalf of the African Group, delivered the following statement:

5.108. On your report on the outcome for MC12, we are thankful for all the work that has gone into this and the African Group will be coming back with proposals on this with the purpose of making the text happier and more inclusive.

5.109. On the second issue of electronic commerce, the report by the Chair, we welcome all the work that has been done on this. The position of the African Group is already very well known, so I will not reiterate this here except to say that we do expect the Ministerial Declaration to have a significant outcome on this Work Programme, how it may be reinvigorated and how it can benefit Member states.

5.110. On the issue of the response to the pandemic, we heard Ambassador Walker's report and we thank him for the efforts he continues to do in this regard. Clearly there is a lot of work that has gone in. He made the point that the TRIPS Waiver is under consideration of the TRIPS Council while he is focusing on the other part, but he also made the point that some Members consider critical that the TRIPS Waiver issue is also addressed. Indeed, we do see both these issues, the TRIPS Waiver issue and the rest of the response to the pandemic as being just one component and this is why we say all the time that without the Waiver we could not consider that there is an adequate response to the trade and health. I just wanted to share as well about the fact that the day before yesterday Cameroon became the 15th Member to have deposited the instrument of ratification for the African Medicines Agency, this has been a 12 year process and I was just thinking of ways whether we could find ways to support the rapid establishment of this agency as this will certainly help to enhance the regulatory oversight and facilitate access to safe and affordable medicine.

5.111. The representative of Chad, on behalf of the LDC Group, delivered the following statement:

5.112. The LDC Group supports your work on an outcome document for MC12. We have communicated to you the elements which we think should appear in the document for LDCs and we will soon see the adoption of the Ministers' Declaration for LDCs for MC12, which will be considered for the outcome document.

5.113. On electronic commerce, we will not repeat previous statements on the Work Programme and the declaration of the LDCs in 2019. Let us not forget that digital platforms and goods and services and infrastructure are integral part of our commitment during the pandemic and during lockdowns, at a time when we need to mobilize to minimize the digital divide, which has shown itself during this period, and that applies to today's meeting as well. The LDC Group supports Members in their quest for a solution to submit to Ministers for MC12.

5.114. To conclude, on the Facilitator's Report on the WTO's Response to the Pandemic, we would like to thank Ambassador David Walker for his report. The LDC Group would like to urgently ask Members to propose a collection of measures for the WTO and its response to COVID-19. The Director General has also shown great leadership in this area and on behalf of the LDC Group I would like to welcome that. We need to submit to Ministers an important decision for MC12 in order to guarantee the world's access to vaccines and treatments but also to the equipment that is needed to save lives. We need to reject discriminatory practices and practices that are restrictive, which only exacerbate this problem. The COVID-19 pandemic, contrary to general impressions, is not over, that is why we need to focus on our response to it.

5.115. The representative of Paraguay delivered the following statement:.

5.116. Paraguay wishes to thank you for your reports, as well as Ambassador Walker for his work. I will first address item 5.A, on the Twelfth Ministerial Conference (MC12) outcome document. We generally support the suggestions concerning context wording, political message and guidance from Ministers, in particular with regard to the impact of the COVID-19 crisis and the role of the WTO in achieving economic recovery.

5.117. As for the suggested elements, my delegation would like to request the inclusion of wording on the importance of outcomes in the market access pillar in agriculture, the adoption of a work programme that recognizes the additional challenges faced by Landlocked Developing Countries and therefore the necessity of preserving special and differential treatment for this category of countries. On systemic issues, we support language that advocates the restoration of the Appellate Body and the necessity of setting up a work programme for the reform of the WTO. Furthermore, we consider it important to include language that recognizes the progress made in the joint initiatives in which we participate, in particular the initiatives on e-commerce, micro, small and medium-sized enterprises (MSMEs), investment facilitation for development, services domestic regulation and

trade and gender; language which in turn encourages participants to continue working in an open, inclusive and transparent manner.

5.118. Regarding item 5.B, on the Work Programme on Electronic Commerce and Moratorium, Paraguay shares the view on the need to reinvigorate the work in line with the 1998 Work Programme on Electronic Commerce and we support the extension of the moratorium until at least the next Ministerial Conference. We are open to begin working on specific wording as soon as possible.

5.119. Finally, regarding item 5.C, on the WTO response to the pandemic, Paraguay wishes to reiterate that during the General Council in July, it circulated document WT/GC/W/826, co-sponsored by the delegations of Colombia, Costa Rica, Ecuador, Panama and the Dominican Republic. It puts forward additional elements that we would like to see taken into account in the process led by Ambassador Walker. Paraguay encourages the Members to keep working and to consider our joint proposal favourably, as a contribution from the countries of the Latin American region in the upcoming thematic discussions.

5.120. The representative of Argentina delivered the following statement:

5.121. We welcome your report and your work on the final document of the next Ministerial Conference, as well as your efforts on the Work Programme on Electronic Commerce.

5.122. Now, I would like to specifically address the WTO's response to the pandemic. We thank Ambassador Walker for his report. All the Members agree that the WTO's response to the pandemic must be one of the outcomes of the Twelfth Ministerial Conference (MC12), to be achieved in a transparent, open and inclusive manner. These past few months, several initiatives and individual proposals have been disseminated in an effort to bring forth elements of this response, and they must now be streamlined into a single collective process. The Ministerial Conference is less than two months away, which calls for realism in our expectations of what can be achieved by December. We must lay the foundations for future work, beyond the Conference.

5.123. In Argentina's view, the proposals should be examined through the lens of imbalance in access to COVID vaccines, medical equipment and treatments. According to figures from the World Health Organization (WHO), over 50 – developing – countries missed the target fixed by WHO to vaccinate 10% of their population by the end of September. Some countries haven't even started. Meanwhile, over 60% of the developed world has been fully vaccinated. We should therefore be able to reach a consensus to rectify this inequality and put an end to the pandemic.

5.124. With regards to Members' proposals, we wish to make a few specific preliminary comments. We believe that emergency situations and specific market circumstances warrant some leeway that allows countries to implement the necessary measures. Lately, restrictions on exports have sustained the availability of a number of essential goods needed to supply the local market, with a view to preventing shortages, especially in developing countries, in the context of an unprecedented health emergency. These measures must be evaluated first and foremost against health access and national health policy priorities, and not solely from a commercial standpoint, bearing in mind the differences in capacity between developing and developed countries. We must guard ourselves from new rules that restrict the States' margin for manoeuvre and/or overload them with obligations, especially in emergency situations. And we must make use of existing structures, such as specific committees, to address trade concerns. In Argentina's view, the WTO could emphasize that this type of measure, if deemed necessary, should be specific, proportionate, transparent, temporary and consistent with existing rules.

5.125. Regarding coherence and regulatory cooperation intended to simplify technical regulations, conformity procedures and standards and thus facilitate trade flow of medical supplies needed to tackle the pandemic, we understand that these are complex issues that are being handled by specialized technical bodies. To that effect, the WTO could encourage the development of Members' regulatory capacity and promote better practices in terms of minimum standards of quality, through the Members' commitment to put their best foot forward in this respect, allowing each national jurisdiction to act in accordance with its regulations and public health standards.

5.126. As for the temporary reduction of tariffs, that is a right that States can choose to exercise or not, according to their strategies, priorities and needs in overcoming an emergency such as this one. We must be careful about imposing permanent measures that are directly and essentially related to public health policy. Again, we believe that each country has the means to decide for itself whether or not such temporary reductions are suitable. We shouldn't impose measures that restrict their margin for manoeuvre.

5.127. In short, we understand the importance of removing obstacles in order to expediate the production of essential medical goods, but that alone will not solve the problem of fair access. From experience, we know that vaccine production increased dramatically, but did not result in equitable distribution. Manufacturing and distribution were channelled to a specific group of countries that are now administering booster shots, while other countries are still waiting for enough vaccines to administer the first dose.

5.128. Other issues, which are directly related to equitable access, should be addressed in a holistic response to the pandemic, whether as an immediate outcome or as part of subsequent work. Such issues include technology transfer, decentralization of production, distribution challenges in lower income countries, support for WHO mechanisms and initiatives, the role of the private sector, trade contract transparency and COVID vaccines being regarded as global public goods.

5.129. We therefore hope to promptly and jointly begin working on the response that the whole world is awaiting of this Organization.

5.130. The representative of Russian Federation delivered the following statement:

5.131. On the first subitem, we would like to thank you Chair for your tireless efforts that allowed us to launch the discussion on a draft Ministerial Declaration. The draft preamble presented this week is now being carefully examined by our team, but at a first glance it looks quite logical and balanced. We are looking forward to further working on the basis of this draft, as well as moving to next parts of the declaration. My advice to other delegations - based on what we heard at the consultations earlier this week - would be not to overload the preamble by ideas which would better feed into the political signals section.

5.132. On the third subitem, we wish to praise the work of Ambassador Walker and thank him for his report. In my view, it duly and scrupulously reflects all views, ideas and reservations expressed by interested Members during last week's consultations, including those delivered by Russia. In fact, from the beginning we had no doubt about Ambassador Walker's capacity as a fair broker in this delicate exercise. Now the task is to promptly bring all those ideas into a single document. At the informal Ministerial meeting in Paris there was a general convergence of views that the COVID response paper should be among the main outcomes at MC12. This should inspire us not to leave the finalisation of this document for the last moment in spite the fact that, of course, the IP topic is still quite difficult and there is a need for more efforts to get an agreement on that. We are looking forward to further work under the chairmanship of Ambassador Walker. My only request would be to duly coordinate holding all these meetings and consultations, and also take into account the intensive schedule of main negotiating tracks, especially if these consultations will require the presence of Heads of Delegation, although I understand that it can be unavoidable.

5.133. We had yesterday an informal session on the logistics for MC12. This is also quite an important topic. I will not go into the details of our concerns regarding what we heard yesterday but I think we should have a chance to discuss this in detail in order to better understand how to prepare our capital-based teams.

5.134. The representative of Pakistan delivered the following statement:

5.135. Regarding the MC12 Outcome Document, we wish to highlight a few points on the arrangements for MC12 and the outcome document. We thank the MC12 Task Force for the presentation and information provided to the delegates at yesterday's information meeting on logistics and organisation and thank the Director-General for the information provided so far.

5.136. While we now have some more details, it appears that the event organization is premised on the assumption that the current situation vis-à-vis the pandemic in Switzerland will continue to

prevail, which we also hope to be the case. However, given the vast expanse of the event, and the unpredictability of the situation, several scenarios are possible and must be accounted for. For instance, we must be sure and prepared on what to do in case of a likely outbreak during or before the event particularly at the MC12 venues, for example. We are still unsure on how delegations could effectively participate at the MC if they have to quarantine due to a positive COVID test. At the same time, while we appreciate the health measures to keep delegates safe, we feel that the testing facilities in Geneva may be limited for a such a large event, the costs of testing are also an element of concern and needs consideration.

5.137. In addition, travel restrictions, and complicated traveling routes and conditions particularly for small and distant Members are causing much angst among those delegations. Presently, there are several countries that face flight restrictions and quarantine requirements during transit. It would be very concerning if they cannot participate in the Conference. Since they are unpredictable, any new travel restrictions closer to the event, could further curtail participation of Members. These are serious concerns that would need to be addressed to ensure the inclusive and effective participation of all delegations at the conference.

5.138. Turning to the Outcome Document, we have heard several Members in the TNC the other day, calling for a balanced outcome that caters in particular to the needs and sensitivities of developing countries. We have also highlighted elements of such an outcome earlier today and in various previous interventions in different meetings. Development remains a key deliverable that must be reinforced in our negotiated outcomes and reiterated as a treaty embedded right. Implementation of past decisions and mandates would be essential for a successful outcome. At the same time, a comprehensive, meaningful, and effective response to COVID-19 and its challenges incorporating a temporary waiver from certain TRIPS obligations would be integral. These are some of the basic and necessary elements. We will continue to work constructively with you and the Membership to deliver on such a balanced outcome.

5.139. Regarding the Work Programme on Electronic Commerce, I would like to address this item under Agenda item 6 which addresses the same subject.

5.140. Regarding the WTO Response to the Pandemic, we thank Ambassador Walker for his efforts as Facilitator. At the outset, we wish to recall our statement made under Agenda item 4 on the TRIPS waiver earlier today. It is an extremely important issue. The pandemic is far from over. The longer we go without a meaningful solution, the more we allow those challenges to mount and give rise to new ones. Pakistan has therefore been very actively engaged in the process. We hope to continue our work with the Facilitator and other Members to find a meaningful, credible and useful outcome for the world. At the same time, our response must be mindful of the grounds we lay for future work after MC12.

5.141. In this regard, it would be useful to start clarifying the exact nature of the outcome on the pandemic response, and how we envisage any post MC12 work on pandemic and crisis preparedness in relation to our existing mandates and commitments, which are largely unfulfilled in the developmental context. Thus, we are concerned that any outcome should not undermine the capacity of the WTO to deliver on existing mandates which are important for developing countries and LDCs and should not marginalize the work that is necessary for delivering meaningfully on those issues, particularly under the Doha work programme.

5.142. On the immediate response, the global nature of this pandemic needs a global response where we exhaust all available avenues and means to overcome the present situation. We note and appreciate the efforts of the DG in this regard. However, we are increasingly coming to the conclusion that the promises from the business-as-usual approaches, and a reiteration of existing trade policy and IP provisions is severely inadequate to address the pandemic and does not constitute any meaningful response.

5.143. Where our organization, through the TRIPS and other Agreements, has promised and ensures the protection of private property rights, there is nothing in our commitments to impose reciprocal obligations on the IP holders who enjoy that protection – particularly in emergencies where human lives are at stake.

5.144. At the moment, till the establishment of a lasting solution that embeds those obligations on public and private spheres globally, Pakistan sees a temporary waiver from certain TRIPS obligations as the only meaningful way to address the immediate problem, especially for the scaling up of production of vaccines, diagnostics and therapeutics and to provide their equitable and affordable access to everyone across the globe – a vision expressed by our Prime Minister at the World Health Assembly very early into the pandemic. Therefore, a response to the pandemic must incorporate in it as an integral component, the TRIPS Waiver to make it meaningful and useful. Pakistan will continue to engage constructively on this issue and seek to contribute submissions in the best possible manner to assist a useful outcome.

5.145. The representative of Tunisia delivered the following statement:

5.146. We congratulate you, Chair, on your extensive reports on preparations for MC12, as well as your inclusive and transparent approach to making strides in key negotiating subjects. To be concise, I will say that my delegation agrees with the general agreement priorities for MC12, which will shortly be communicated, as announced by H.E. Ambassador of Mauritius. At the risk of repeating myself, at this stage, I will simply comment on the WTO response to the pandemic. I will state my delegation's position on point (b) on e-commerce at the consideration of Item 6 of the agenda.

5.147. Indeed, engaging in collective thinking on an effective and fair WTO response to strengthen the global supply chain for medical products and vaccines remains a key shared responsibility. If we had to keep only one outcome of MC12, this would, indeed, be the one to retain. We welcome, in this respect, Ambassador Walker's efforts in the process on the WTO response to the pandemic and we also congratulate ourselves on the initiatives concluded between international organizations, including the WTO, in this area and we reiterate the steadfast commitment of Tunisia to making the most of its productive capacity in the pharmaceutical industry.

5.148. When the Head of Government of Tunisia visited the WTO last June, Tunisia expressed in this matter its high-level commitment to being actively involved in the course advocated by the Director-General, which aims to make full use of production capacity in many developing countries in order to increase global production of vaccines and enhance the capacity of the global health system to respond to future pandemics. We remain committed to such multilateral cooperation, coordinated by the WTO, to make this shared determination a reality in the field.

5.149. The representative of Malaysia delivered the following statement:

5.150. Thank you, General Council Chair, for the MC12 outcome document. We view that at this critical stage, it is paramount to focus on the substance in order to ensure the WTO could deliver a credible outcome. We must aim to finalise our work as much as we can ahead of MC12, so that our Ministers will not be overwhelmed with all the technical issues. We must bear in mind that a last-minute negotiation is a recipe for disaster. Through these challenging times, we must continue to engage constructively and demonstrate flexibility to resolve all the outstanding issues for MC12.

5.151. We welcome the report by the Chair on the work undertaken relating to the Work Programme on Electronic Commerce. We continue to support the discussions at the working group and share the view that discussions on e-commerce at the WTO level would send a positive signal to the business community at large.

5.152. In addition, Malaysia appreciates efforts by Members to engage in the meaningful discussions to further discuss the E-commerce Moratorium issues. We believe that there has been significant effort by Members in other international organisations, that could assist in providing better understanding and possible solutions to the moratorium issue. We are also pleased to note that there have been constructive discussions in the JSI on e-commerce, which could be taken into consideration, in reinvigorating the Work Programme on E-commerce.

5.153. On the WTO's response to the COVID-19 pandemic, Malaysia appreciates all the necessary measures that facilitate the increased production and movement of essential medical goods. We commend the good work of Ambassador Walker's role as facilitator for the WTO's response to the pandemic. We view that there is room for us to expand the measures, including the elements related to intellectual property. As time is of the essence, rest assured, Malaysia will continue to support work towards the possible delivery for an outcome in this area at MC12.

5.154. The representative of Honduras delivered the following statement:

5.155. We thank you for your efforts in relation to the outcome document for the Twelfth Ministerial Conference and the Work Programme on Electronic Commerce.

5.156. Turning to the response to the pandemic, we welcome the report by the Facilitator, Ambassador David Walker, as well as the efforts undertaken on this important matter, which is a priority for all Members of this Organization. We also thank the co-sponsors of document WT/GC/W/826 for raising awareness of what is occurring in the Latin American region and across the world, particularly with regard to the issues that developing countries are facing in terms of equitable access to vaccines.

5.157. The WTO's response must be focused on immediate action that facilitates trade in health services and goods, thereby aiding our nations' economic recovery. This is a matter of global public interest and we must therefore ensure that vaccines are distributed effectively and that all Members have equitable access to the required medical inputs and vaccines. To that end, we reiterate that a discussion followed up by a concrete action plan is no longer an option, but a necessity.

5.158. The representative of Jamaica, on behalf of the ACP Group, delivered the following statement:

5.159. On behalf of the ACP Group, I use this opportunity to welcome and thank the Honourable Mawine Diggs, Minister of Commerce and Industry of Liberia for her comment. First, we also thank and commend you, Chair, for your efforts and commitments in preparing some solid outcomes at MC12.

5.160. As regards subitem A., we look forward to having a declaration for MC12. This is a priority for the ACP Group. We have not had a declaration since 2015. We believe that it is necessary to have political guidance for our work in Geneva, especially given the unprecedented environment in which the multilateral trading system currently operates. A declaration should be comprehensive and address all areas of concerns to the Members. The Group acknowledges that there are sensitivities, but we believe that it is possible to accomplish this goal in a balanced and nuanced manner that attracts the buy in of all Members. Chair, taking into account your vast experience, and despite the Membership's dynamic approaches to the various issues on the table, we have confidence in your ability to prepare a draft declaration for our deliberation. We have limited time left before MC12 and therefore hope that we can make good progress as soon as possible.

5.161. On subitem B. regarding the Work Programme on Electronic Commerce, this is of critical importance to our Group as we see it as a vital tool in addressing the digital divide within and among countries as well as to ensure that our entrepreneurs, especially small businesses, can tap into the potential of global trade. We fully support the renewal of the Work Programme and urge the Membership to endorse its renewal. We need to focus on how we can reinvigorate the work programme. Given our specific interests on the development dimension of this long-standing area of work in the multilateral framework of the WTO, the Group believes that MC12 provides an avenue to pursue these objectives.

5.162. On subitem C., the ACP Group thanks the facilitator for updating us on his work regarding the WTO's response to the impact of the COVID-19 pandemic. His reporting suggests that we are making good progress in our work and the Group wishes to commend delegations on their collaborative spirit in recognition of the importance of a result in this area, that is a credible WTO response. For us, the WTO has an important role to play in complementing the work of the international organizations and other stakeholders in respect of responding to the impact of the pandemic from health stabilisation, recovery and sustainable rebuilding perspectives. We do anticipate that Ministers will be able to use MC12 to effectively guide the organization on how to achieve this. For this to happen, however, the onus is on us, Ambassadors in Geneva, to make the necessary preparations so that solid, relevant and appropriate recommendations can be put to our Ministers to facilitate the decision.

5.163. We expect that the Facilitator process will not only stabilise, recover and rebuild, but also leave us with a blueprint relating to how we respond to future international crises. We believe that, as an outcome, this process should assist with, from a trade policy perspective, (i) the availability

of vaccines, diagnostics and other medical supplies to prevent, treat and contain the spread of the virus - this is where we believe a consensual outcome on the TRIPS waiver is critical; (ii) fostering the WTO's collaboration with other international stakeholders; (iii) monitoring pandemic-related trade measures; (iv) preserving global supply chains and trade logistics and smoothen the flow of goods and services; (v) addressing the issue of pandemic-induced food and livelihood security, including rising costs of food globally; (vi) streamlining the WTO's response into the work programme of WTO Committees, Working Groups and Councils; (vii) ensuring that debt and limited access to finance do not occasion a contraction of global trade; and (viii) ensuring that the WTO's experience with the management around the pandemic allows for the creation of a blueprint to respond to future crises with similar impacts. The ACP Group will continue to support the process of the Facilitator with a view to a decision by MC12.

5.164. The representative of Brazil delivered the following statement:

5.165. Under the first subitem, let me, first, reiterate our strong and long-standing commitment to the multilateral trading system. We fully support the much-needed reforms to modernize and revitalize the WTO. MC12 is a stepping-stone in that process of reform and of strengthening the Organization. As my Foreign Minister, Ambassador Carlos França, has clearly expressed this week at the WTO Mini Ministerial in Paris, there are 4 elements we should consider for a MC12 package:

5.166. Fisheries, in which we must move to the end-game and start real negotiations that can lead us to conclude an agreement with the highest component of sustainability. It will show that the WTO can deal with pressing current issues such as the intersection between trade and sustainability. If we are not able to reach an agreement by MC12, we need to be realistic about the prospects of the dossier at the WTO. Not only it will send a negative message about our collective will to deal with the new reality of trade, but it will require an explanation on why we couldn't agree to curb subsidies to IUU fishing after 20 years of negotiations.

5.167. Regarding Trade and Health, once again we need to show the relevance of international trade and WTO rules when facing the challenges posed by current and future pandemics. We welcome the work carried out by Ambassador Walker and the recent US conceptual document on Trade and Health, as they complement the Ottawa Group's Trade and Health Initiative.

5.168. Agriculture remains the key issue for Brazil. We need international trade and WTO rules more than ever, as these are vital components to address the global challenges of food security and sustainability. Food security is about availability and access to food, and international trade plays a fundamental role in that equation. Establishing a process to update the agriculture rulebook on domestic support, enhancing the work of the SPS Committee, and looking into the future of agriculture trade and sustainability are all vital components of a package. Efforts to roll-back commitments in Agriculture, to create new barriers to trade disguised as environmental protection, or to legitimize distortive subsidies via instruments such as PSH, however, are deal breakers for Brazil.

5.169. Finally, on institutional reform, we need to launch negotiations at MC12 aimed at restoring the functionality and full effectiveness of the dispute settlement system before MC13, as well as at exploring the pathway that leads to plurilateral negotiations at the WTO.

5.170. Regarding the second subitem, Brazil supports the renewal of the Work Programme on Electronic Commerce and the moratorium on electronic transactions at the next Ministerial Conference (MC12).

5.171. Regarding the Structured Discussions on the impacts of the moratorium, Brazil believes that it has produced valuable information, both during the dedicated workshop in July 2020 and through the communications from Members to the General Council on this issue. In the perspective of our tax authorities, the moratorium on the imposition of customs duties on electronic transmissions has not produced, on the one hand, an important fiscal impact in Brazil. On the other hand, its discontinuation, after more than 20 years in force, would strongly affect the digital economy, in Brazil and globally. Furthermore, the eventual discontinuation of the moratorium would send a very negative political message about the WTO to the world. Brazil is open to continue discussions on this issue and any other topic of the Work Programme on Electronic Commerce. Brazil is ready to

collaborate in constructive ways in order to ensure the continuation both of the Work Programme and the moratorium.

5.172. The representative of Vanuatu, on behalf of the Pacific Group, delivered the following statement:

5.173. I thank you Chair for the reports of the MC12 outcomes document and the Work Programme on E-commerce, on behalf of the Pacific Group we also thank Ambassador Walker for his report on his work on the WTO's response to the pandemic. On the MC12 outcomes document, the Pacific Group supports the proposed structure comprising the text to the Ministerial Decisions and the post MC12. You will recall from yesterday one of the Pacific Island countries made a statement regarding the participation of Ministers to the MC12 because of the very big difficulties we are facing to move up from our countries and to move back into our countries because of the COVID-19 restrictions in place. So, whether Vanuatu and other Pacific countries will attend MC12 is a question that needs to be answered as soon as we receive response from the WTO on whether some of the delegations can attend by virtual means.

5.174. On the Work Programme on E-commerce, we support the reinvigoration of the Work Programme, to focus on addressing the digital divide, we support the extension of the Work Programme and the moratorium at MC12.

5.175. On the WTO response to the pandemic, we take note of the progress and support the work that has been undertaken. We must say again that the WTO must play its part to contribute trade tools as part of the global solutions to the pandemic. The WTO response must address both current and future pandemics through the use of instruments in the WTO, which includes prompt notification to ensure transparency of trade measures imposed by Members, trade facilitation to ensure efficient distribution of essential medical goods, standards to address requirements of vaccines and vaccines certificates and disciplines on export restrictions to ensure that import dependent Members such as those of the Pacific Group are taken into account. We are open to engage in discussions in this work.

5.176. The representative of Turkey delivered the following statement:

5.177. Regarding the WTO Response to the Pandemic, I would like to thank Ambassador Walker for his report. While discussing our response to the pandemic, the underlying logic should always be pragmatism. The new variants, together with an unequal distribution of vaccines and scarcity of them, necessitate actions with a sense of urgency and for the benefit of our people. On our side, since the outbreak of the pandemic, Turkey has done its best to help others and provided medical aid to 159 countries and 12 organizations. Our President declared at the UN General Assembly that in the near future we will offer our national vaccine, TURKOVAC, to the benefit of all humanity.

5.178. The pandemic has also shown that trade is a significant tool for ensuring adequate and swift access to the goods and services in times of public health crises. Most of the countries that had to resort to temporary measures have already terminated them to ensure functioning supply chains. Turkey has also terminated its measures on what was already a very limited number of products. The Committee on Market Access is keeping track of these measures - both restrictive and facilitating - and reports them to WTO members. In this sense, we believe that the WTO provides us a valuable toolbox in keeping track of trade-related measures taken in response to COVID-19 and in fact fulfils a significant mission.

5.179. Trade facilitation is one of the priorities for Turkey in response to the pandemic. Accelerating the simplified and timely release of goods is a practical step and critical during a pandemic. Turkey co-sponsors a proposal to that effect to accelerate the implementation of the TFA and enhance communication, cooperation and automation in border operations. This is a very promising area that may yield fruitful and immediate results.

5.180. We believe that while engaging in this delicate nexus of trade and health in terms of further rulemaking, we should make sure that our approach is inclusive, it provides necessary policy space and does not result in alienating countries from the multilateral trading system. In conclusion, since we are faced with a global pandemic and naturally looking for a multilateral response, our work in this Organization should be inclusive and on a multilateral footing as well.

5.181. The representative of China delivered the following statement:

5.182. Thank you for the reports and efforts. With respect to the response to the pandemic, we thank Ambassador Walker for his detailed report and appreciate his efforts in carrying out a series of consultations in September. There are two points I would like to highlight here. First, we must have concrete deliverables by MC12 as WTO's response to the pandemic, as the pandemic has been there for almost 2 years. If the WTO cannot take concrete and detailed action at this critical time by MC12 how people can be convinced that the WTO can deliver in the coming years. Second, for those we cannot finish by MC12, we support to establish a Work Programme which has clear timelines and objectives relying on the existing structure of the WTO with the ad hoc task force as a coordinating body.

5.183. The representative of Singapore delivered the following statement:

5.184. First, we would like to express our appreciation to you for your tireless efforts in consulting with Members and also to Ambassador David Walker for his comprehensive update. I will address all three subitems in Agenda item 5 together. First, the Ministerial Declaration, which you have proposed, will be a time-consuming exercise and we must ensure that the outcomes are commensurate with our efforts. Given the limited time left to MC12 and the plethora of outstanding issues left on the table we need to ensure that the substance of the Ministerial Declaration will be meaningful and substantive. What does that mean? I think we should start with the audience in mind and understand what they are looking for, given that there has been four years since the last Ministerial Conference the declaration should acknowledge the seismic changes that have occurred including the COVID-19 pandemic, the rapid pace of digital transformations and the challenges of climate change and sustainability. It should provide a clear indication that the WTO remains relevant, and more importantly, it is forward looking. Otherwise, like what DG Ngozi said in last week's TNC our stakeholders will simply take their business elsewhere and relegate the WTO to irrelevance.

5.185. Second, Singapore attaches equal importance to the E-commerce Work Programme and the moratorium on custom duties on electronic transmissions. They represent equally useful pathways that enable the WTO to remain at the forefront in shaping global trade discourse. Singapore firmly supports the extension of the moratorium on custom duties on electronic transmissions. On the E-commerce Work Programme, Singapore welcomes any discussion or ideas on how we can deepen the existing technical work in areas of interest under the various Committees. Third, it will be vital to deliver a robust WTO response to the COVID-19 pandemic at MC12. Reflecting the importance of this issue, Members have tabled various proposals at the WTO, this includes the TRIPS Waiver proposal, by India and South Africa, the Trade and Health Initiative that has been co-sponsored by 52 Members as well as several other proposals from the European Union, Chinese Taipei, and the United States. If I may use the analogy of a buffet, Members are presented with a wide array of dishes and making the right choice of what to pick for the plate can be challenging. Some dishes may look delicious and tempting but they may not be the best for our health, others may look dull and boring but are nutritious and build up our resistance to attacks by viruses. The secret to good health is to have a balanced diet. In the same way, WTO Members must carefully examine the different proposals on the table and identify those elements that are pragmatic and capable of gathering broad support. To help us make the right choices, and taking the analogy a step further, we actually have a dietitian in the person of Ambassador David Walker who is facilitating the process to help Members select the right dishes from the buffet table. Hence, he must strike for a balanced outcome that will nourish and build up the WTO so that we will be ready for MC12 and beyond.

5.186. The representative of Sri Lanka delivered the following statement:

5.187. Regarding the format of MC12, Sri Lanka has concerns on the suggested hybrid format MC12 (in-person and virtual). The concern is that absentee Ministers will be made to virtually participate in the meeting, which may suggest that even though the meeting is not officially held in hybrid format, it is going to be held in that format. At yesterday's meeting, it has been confirmed that MC12 will be held in hybrid format. Only the delegates who will be physically present will be able to take the floor. However, there was an indication that special situations would be taken into account. Furthermore, WTO Members have already been informed by the Chair of the fisheries subsidies negotiations that negotiators participating virtually (e.g. from capital because they do not have a mission in Geneva) in those negotiations are only allowed to listen and not speak or make proposals.

5.188. With the decision of the WTO Secretariat to hold the MC12 in-person and the delegation size is limited to four people, it does not say that there will be a hybrid option for virtual participation by those who cannot attend in person. At MC12, when you have to deal with many parallel negotiating forums on many key issues how can we manage with four delegates, which also includes your Head of Delegation, if the delegates attending the meeting in virtual format cannot make the interventions, how can we get ourselves involved and become a part of parcel of the decisions being taken. Therefore, it is a well-founded concern that developing countries/LDCs for example because commercial flights to their country have been stopped due to COVID, etc., will be left listening only in a hybrid MC12. Since silence constitutes consent under footnote 1 of the Marrakesh Agreement, this would make it very difficult for some developing countries and LDCs to adequately protect their interests with the relevant expertise from capital during MC12.

5.189. The time zone factor: An entirely virtual MC12 could not be a negotiating Ministerial for a number of reasons including that WTO Members are spread across 18 time zones so it is difficult for all Ministers to participate at the same time, as we found it during the fisheries subsidies Ministerial Conference held in July 2021. Not all WTO Members have fast enough and reliable enough internet to be able to negotiate in real time (including seeing video of any projected negotiating text etc). Have all WTO Members been consulted as to whether their internet is fast enough and reliable enough for a virtual or hybrid MC12? Did they all say their internet is satisfactory enabling them to participate effectively at MC12?

5.190. We also share the similar and related concerns expressed by the Members who had taken the floor before me which warrant serious attention of the members as well as the Secretariat before we proceed further with the decision to hold the MC12 in hybrid format,

5.191. On Agenda item 5.C on the processes that are ongoing for WTO Response to the Pandemic, we appreciate your efforts as well as the efforts being made by Ambassador David Walker, Facilitator for the WTO response to the pandemic and the reports presented by you and Ambassador Walker at the informal and formal General Council meetings.

5.192. Today we listened to the oral report presented by Ambassador Walker, which I found to be very informative and entails very pertinent issues related to the kind of responses that are useful for the ongoing pandemic and also future pandemics. Recently a number of countries have flagged the high cost of freight and other logistics cost that are significantly hampering the distribution of essential goods and this particularly being experienced by small countries. We sought Director-General's intervention in addressing these concerns and we also feel that some course of actions could be explored under the discussions being undertaken under the Ambassador Walker process. In this connection, we also welcome proposals from the United States and India for their proposals which are being analysed by capitals carefully. Also wish to appreciate the Secretariat documents compiled covering Global Cooperative Initiatives on the Response to COVID-19 and Future Pandemics.

5.193. We also fully share the Members' view who believed that ongoing two parallel tracks in relation to the prevention, containment and treatment of COVID-19 pandemic through a possible waiver of Intellectual Property Rights and trade and health. It is essential these two tracks are converged at one point to deliver meaningful outcomes as we believe that delivery on this important item is a prerequisite for a successful outcome at MC12. What we have noticed - there is a long pause in between the reports being presented to us by you and Ambassador Walker on the progress in relation to the discussion being taken under the various thematic sessions.

5.194. This possesses significant difficulties to small delegations such as mine, who do not participate at these close door discussions, as we lack the information on the pertinent issues raised and discussed by the Members. We therefore urge you to address this situation and wish to suggest that at least brief notes compiled under the Facilitator's responsibility are shared at regular intervals with other delegations who are not invited and do not participate at the sessions.

5.195. On Agenda item 5.B and Agenda item 6, my delegation wishes to reiterate its statements made and positions elaborated in the previous General Council meetings as well as at General Council Chair's consultations, which took place under different configurations. We stress that re-consideration of the moratorium is critical for developing countries to preserve policy space to

regulate imports, generate revenue through a simple and direct instrument such as customs duties and achieve digital industrialization.

5.196. Based on the identification of a small number of digitizable goods in five areas, UNCTAD has estimated a loss in tariff revenue of more than \$10 billion per annum globally because of the moratorium, 95 per cent of which is borne by developing countries, including Sri Lanka. It is also to be borne in mind that this calculation does not include custom surcharges (CESS), Other Duties & Charges, and Internal Taxes. When we consider that Customs duties on electronic transmissions cover, not only digitised and digitizable goods, but also digitally transmitted services, the negative impact of continuing with the moratorium on developing countries would be even greater. According to the World Bank collection of development indicators, compiled from officially recognized sources, revenue generated from Customs and other import duties in Sri Lanka is reported at 19.08% of overall tax revenue in 2019, which indicates its bias towards more outward trade. Sri Lanka is a net importer of Electronic Transmission products and as revealed in the UNCTAD study, the corresponding Sri Lanka's per annum tariff revenue loss of the Moratorium on imposition of customs duties on Electronic Transmission items is USD 10 Million, this comes to around 2% of Sri Lanka's total revenue from customs duties alone in 2019.

5.197. The proponents state that there will be significant gains and benefits for developing countries through the continuation of the moratorium, but they continue to fail to address concerns of the developing countries with respect to the importance of preserving their policy space. Customs duties are used by countries to support nascent domestic industries, regulate an unwanted surge in imports and facilitate industrialization. Countries like Sri Lanka need policy and fiscal space in the digital economy so that they can develop their digital competencies in their own space and provide a level playing field to their infant digital sectors. The development experience of nearly all countries across the world makes it evident that tariffs are amongst the most effective policy tools for achieving these objectives. Customs duties have been resorted to by developed countries to provide protection to their industry and to enable them to become internationally competitive. It is only fair that the developing world be given a similar opportunity. Thus, retaining the policy space to impose customs duties becomes an important objective in itself.

5.198. The absence of a shared and common understanding on the scope and definition of electronic transmissions will make a decision on the extension of the moratorium a challenge at MC12. It is therefore extremely important to have structured and focused discussions under the Work Programme on E-commerce, so as to remedy the unsustainable inequities and broaden the benefits from growing e-commerce. Sri Lanka has high expectations for MC12 in this regard. It is important that WTO Members share their know-how to bridge the digital divide and facilitate digital technology transfers.

5.199. Sri Lanka stands ready to engage meaningfully and constructively towards the collaborative formulation of the mutually agreeable recommendation on the moratorium for the consideration of Ministers in MC12, and needs assurances from Members, particularly the ones who are ready to address the concerns of developing countries.

5.200. The representative of Dominican Republic delivered the following statement:

5.201. We welcome your report on point A and endorse the statement made by the Ambassador of Mexico. The outcome document should make reference to the health crisis and economic recovery.

5.202. On point B, we support the statement made by the Ambassador of Jamaica on behalf of the ACP Group.

5.203. On point C, I would like to state that the health crisis created by the COVID-19 pandemic is not over, millions of individuals have died and tens of thousands are doing so every day. Whilst the vaccines and some treatments which have been highly effective in the prevention or treatment of this disease continue to be outside the reach of whole sways of the global population. As said by the President of the Dominican Republic, at the recent summit of Heads of States of America, "some countries have adopted policies which unfortunately are unfairly limiting access to vaccines and medications for low- and middle-income countries in contradiction with any notion of human solidarity". The COVAX mechanism has been affected by the situation, and we find ourselves walking

towards a seriously limited Ministerial Conference in terms of its format because of these circumstances.

5.204. The Dominican Republic cosponsored at the last meeting of the General Council, alongside other Members of the region, document WT/GC/W/826, which stipulates that the WTO may and should play a primordial role in the recovery of global trade during this crisis and the post-pandemic period, and so we need to, as soon as possible, remove any trade obstacles that impede access to vaccines against COVID-19. Importing countries of vaccines and their components should be able to participate in discussions in a representative and significant fashion because of the global dimension of the issue and the differentiated impact that it has had in the various regions.

5.205. The Dominican Republic would like to welcome the solidarity shown by some countries who have made donations of thousands of doses of vaccines and making them more accessible, but we understand that the major contribution to be made by this Organization in the next Ministerial Conference would be the adoption of a temporary waiver for intellectual property rights. We have closely listened to arguments against which come from States which note that a waiver would not have an increase in production as an outcome but rather could in fact disincentivize innovation and investment in pharmaceutical products. Colleagues, if innovation and investment in health is going to exclusively depend on economic incentives from the largest producers then the majority of humanity will remain unprotected while the majority of these businesses will be operating as monopolies and will be using prices that do not correspond to production costs. The temporary exemptions for intellectual property rights would allow countries who have the capacity to produce vaccines to do so and third States could have the option to acquire these at more affordable prices, measures that would allow us to save thousands of lives and put an end to the pandemic. The virus has shown, and this has been repeated, that we cannot turn the page until all of us are protected. The virus does not need a Ministerial resolution to allow it to mutate and to survive. We, however, are those who need to mutate in order to hold a successful Ministerial.

5.206. The representative of Chinese Taipei delivered the following statement:

5.207. On item 5.A, we appreciate your efforts in leading the drafting process for the MC12 outcome document and various reports in a transparent and inclusive manner. I will briefly touch upon political messages. In our view, the political messages being elaborated in the document is of highest importance, not merely to remind ourselves of our tasks and goals, but also to inform the world about our joint commitments as to how to make this organization's work serve as solutions for the challenges the whole humanity is facing. The political messages guide our practices for the years to come and will serve as the foundation for our future work.

5.208. We support the Chair's plan to emphasize the solidarity in the outcome document. We are of the view that the political message could also include our shared experiences arising from the COVID-19 pandemic. The shared experiences could reflect the fact that there is a need of collective action under the WTO. The political message could be strong and firm enough in confirming that trade and economic related measures are the crucial part to collectively address the challenges created by the pandemic.

5.209. In addition, our political message should also include our commitment on sustainability, which is reflected in the fisheries subsidies negotiations to achieve the conservations of fisheries resources. This is to show to the world that the multilateral trading system is capable of making substantial contribution. Also, the political message could include re-confirming that the WTO will enhance its functions in three WTO pillars so as to ensure effective ways of addressing new challenges arising from economic and other developments.

5.210. On item 5.B, my statement is also made in relation to Agenda item 6. Concerning the Work Programme on Electronic Commerce, we appreciate the General Council Chair's leadership in the consultations. We fully support the continued discussions in the relevant WTO Committees on the E-commerce Work Programme in accordance with the December 2019 General Council Decision (WT/L/1079) to explore various topics and cross-cutting issues. In addition, we are of the view that the current effort at the E-commerce JSI to seek for formulating a high standard discipline on e-commerce is a complementary track to boost digital trade and bridge the digital divide.

5.211. Concerning the E-commerce Moratorium, we would like to stress that the priority at this stage should be to maintain the 22-year-old practice of not imposing customs duties on cross-border electronic transmissions, and the E-commerce Moratorium should include the 'contents' transmitted. From the overall economic perspective, the significant benefit from the moratorium to the SMEs and MSMEs and to the growth of the global ICT sector and digital economy has been self-evident.

5.212. We agree that Members should continue discussing the "scope, definition and impact of the moratorium on customs duties on electronic transmissions". However, such discussion should not be a condition for a Ministers' decision on extending the moratorium. Time will not wait for us to make new rules especially during the pandemic. With less than two months to go before MC12, we support that Members should start working on a Ministerial Decision on the Work Programme on E-commerce, in which Ministers agree to continue and reinvigorate the Work Programme, and to maintain the practice of not imposing customs duties on electronic transmissions.

5.213. On item 5.C, we thank Ambassador Walker for his hard work and the detailed report which comprehensively covers all aspects Members have expressed in the process. We also thank Ambassador Spencer and Ambassador Tan for their Compilation of the Elements, which serves as a solid basis for the Facilitator-led Discussion on the WTO's Response to the Pandemic. We also align ourselves with the statement that will be made by Canada on behalf of the Trade and Health Proposal's sponsoring Members.

5.214. We agree that the elements suggested by the coordinator are all important. For the next stage, we need to focus on drafting the detailed principles toward MC12 and beyond. We are of the view that the WTO response to COVID-19 and the similar public health risks of similar nature is a long-term task of this multilateral trading system. It needs comprehensive actions.

5.215. Considering the time left for us, we thought that there could be a two-stage plan. For MC12, we can target to have a Ministerial Declaration on WTO Response to the Pandemic to show to the world the political commitment and that Members give the highest priority to the WTO's response to COVID-19, and intend to establish a long-term and comprehensive response mechanism for the effective fights against the pandemic. The declaration can also set forth some principles to address export restrictions, trade facilitation, logistics and other supporting services, transparency, and international cooperation.

5.216. And at the same time, Ministers can adopt some work programs or action plans, and instruct their representatives to further discuss and develop needed documents. At this second stage, there could be different working groups to address different issues, such as a working group on export restrictions, a working group on trade facilitation, etc. Depending on their respective discussions, their outcomes could take different forms. For instance, there could be a set of guidelines for export restrictions, some best practices for regulatory coherence, and some detailed rules on transparency. These activities are to implement the Ministerial Declaration.

5.217. The representative of Norway delivered the following statement:

5.218. We would like to thank you, Chair, for the extensive consultation process you have led on the structure and content of an outcome document. We are glad we have embarked on the text-based process given the short time available to us. We agree that we should aim for a limited number of strong political messages, both in relation to the immediate challenges before us, in particular the pandemic, as well as in relation to the longer-term challenges. We should remind ourselves and the world around us that the fundamental purpose of this organization is to contribute to a sustainable future, both in terms of economic, environmental and social sustainability.

5.219. The Joint Communication on Systemic Issues in WT/GC/W/827, dated 27 July and reissued yesterday as Rev.2, contains key messages of relevance to the political part of the outcome document. MC12 provides an opportunity to reaffirm the relevance of and support for the rules-based multilateral trading system, and secondly to underline the importance and relevance of the multilateral trading system in the context of the global health crisis and, third, provide a platform for embarking on a process for reform.

5.220. On item 5.B, Norway agrees that it is important to continue our dialogue on the relationship between development in e-commerce and we are looking forward to continuing discussions under

the Work Programme. At the same time, we continue to support the Moratorium on Customs Duties on Electronic Transmissions as it provides predictability and certainty. Creating more uncertainty should not be the purpose of this organization.

5.221. On item 5.C, Norway associates itself with the statement to be delivered by Canada on behalf of the co-sponsors of the Trade and Health Initiative. We would like to thank Ambassador Walker for his efforts and his comprehensive report, which provides an excellent basis for our work going forward. We support the continuation of a dedicated workstream on the WTO's response to the pandemic under the leadership of Ambassador Walker, and we look forward to engaging in a text-based process with the aim of agreeing on a multilaterally agreed Ministerial Declaration.

5.222. The representative of Switzerland delivered the following statement:

5.223. Regarding the MC12 Outcome Document, we thank you for your report on your consultations on a Twelfth Ministerial Conference (MC12) outcome document and for your tireless efforts. We agree that the wording should be as concise as possible, focusing on issues where we can find convergence.

5.224. The Joint Communication on Systemic Issues (document WT/GC/W/827/Rev.2), which is co-sponsored by 34 Members from different regions and different levels of development, provides language in support of the rules-based multilateral trading system and the need to reform the WTO. This document also contains language on aspects that could be added to the political part of the Ministerial Declaration, namely work in regular bodies and negotiations, and the need for a reform of the WTO, including the Dispute Settlement System. We support the insertion of such language in the MC12 outcome document. Furthermore, Switzerland supports the inclusion of language on trade and climate change. Climate change is indeed one of the most acute global challenges we are facing.

5.225. On the WTO Response to the Pandemic, we thank Ambassador Walker for his work as Facilitator and for his report. We also thank Canada for its remarks, which we endorse as a co-sponsor of the Trade and Health Initiative (document WT/GC/W/823). The work done under the leadership of Ambassador Walker has shown that the WTO can make an important contribution to improving pandemic crisis management. While this aspect has not been addressed in the context of the process led by Ambassador Walker, we believe that intellectual property protection also plays a role in the holistic approach to pandemics.

5.226. There is very little time left until MC12. In order to achieve the goal of a multilateral Ministerial Declaration on Trade and Health, it is now necessary to shift into second gear and engage in text based discussions. This is what Ambassador Walker proposes and we intend to participate constructively in this exercise.

5.227. The representative of Ecuador delivered the following statement:

5.228. Thank you for the report you presented today. We trust in your skill to construct a Ministerial Declaration for December and we would also like to thank you for the report on electronic commerce.

5.229. On item 5.C, we would like to thank Ambassador Walker as Facilitator of the pandemic response for the efforts made in order to include all aspects in such a complex theme. Trade in services has to do with the public health of millions of people and impacts the economies and well-being of countries. Ecuador has reiterated many times that it looks at the WTO, which is a dynamic factor, a factor which will facilitate economic recovery post-pandemic, and the action of the WTO is directly focused on immediate emergencies in trade and public health. This is certainly a priority issue and it is up to all Members.

5.230. Ecuador has reiterated in the General Council that any discussion on this issue must be inclusive, transparent and that the visions of vaccine-importing countries to combat the COVID-19 pandemic must be reflected in the work of this Organization. Although I am speaking on behalf of my country, I must recall that on 26 July, Ecuador together with Colombia, Costa Rica, Panama and Dominican Republic, presented document WT/GC/W/826 on trade barriers which impede the importing of medicines and particularly COVID-19 medicines and vaccines. We need to stop trade barriers for the import of vaccines. Vaccines are a good which most Members are net importers of. In Africa and Latin America we have very little access to vaccines and access to vaccines is an

absolute key issue. Equally important are communication matters such as transparency, strengthening trade regulations and trade facilitation in health and trade. We would like to emphasize the need to take up issues contained in the Joint Communication, including in the global pandemic response and guaranteeing that the multilateral trading system grants all countries security, predictability, universal and equitable access to vaccines and other medical inputs as essential services to combat COVID-19.

5.231. The representative of Chile delivered the following statement:

5.232. I thank Ambassador Walker for his report and all his efforts. We are on the right track insofar as we maintain and reinforce positive messages and focus on areas of common ground. We would like to highlight that a majority of delegations agree that a significant part of this deliverable pertains to export restrictions and similar measures, and restricted access to essential medical goods, including vaccines, which together with other areas of interest, have been included in Canada's Trade and Health Initiative, which we co-sponsor. Nevertheless, this deliverable cannot be simply declaratory, but rather it must establish more concrete actions that limit the field of activity in which Members can take these measures in times of emergency, such as the pandemic, and that said restrictions be the last resort after having exhausted the less trade-distorting channels.

5.233. We also recognize that there is room for a solution in terms of intellectual property rights and greater international cooperation, even between international bodies, such as the international financial system, as reflected by the work done by our Director-General in the last few months. Finally, we have had positive dialogue with the industry, which should deepen.

5.234. We hope that we will soon be able to begin negotiations on the basis of a draft text that the Facilitator would present, leading us towards an ambitious and balanced deliverable that would truly and effectively respond to the pandemic, while also serving as a lesson for future pandemics.

5.235. The representative of South Africa provided the following statement:

5.236. Regarding item 5.A, we thank you Chair for your report and the initial draft you have proposed to Members under your own responsibility that aims to achieve an appropriate balance. The context must also acknowledge that we are not building back better together - in terms of economic recovery and in terms of production, access and rollout of vaccines and the costs are being borne disproportionately by developing countries, particularly in Africa. We believe that MC12 must aim to preserve and strengthen an inclusive, open, transparent, fair, rules-based and development-oriented multilateral trading system with the WTO playing the central role. It will therefore be important for Ministers reaffirm the principles and objectives set out in the Marrakesh Agreement Establishing the World Trade Organization and re-affirm development. The system must take into account the interests of developing countries and LDCs for legitimacy.

5.237. We would like to emphasize that if we are to have a consensus document, we need to focus on those issues that enjoy consensus and have a multilateral mandate. We must avoid using MC12 as a launchpad for issues that have not been properly discussed among Members and where consensus is not feasible. There are genuine concerns that need further clarification in relation to the entry requirements, vaccination certificates, costs associated with regular testing that will have an impact on an inclusive participation to MC12. These warrant greater attention since participation is key if we are to have a balanced outcome. A hybrid approach is not a solution. We would need to make a call at an appropriate time on whether the conditions are ripe for an in-person meeting given the ever-evolving COVID-19 situation.

5.238. Chair, regarding item 5.B, it will be covered under item 6.

5.239. Regarding item 5.C, we thank Ambassador Walker for his efforts in compiling this report. My delegation will be studying the report in the coming days. We also thank the Ambassadors of Singapore and Jamaica for the valuable contributions that their delegations have made to our discussions. My delegation contributed constructively to all the Thematic Sessions that led to Ambassador Walker's report.

5.240. On trade related aspects, the focus should be on high-level principles, similar to the G20, that measures undertaken must be temporary, targeted and proportional to the pandemic. We must

acknowledge countries in the context of COVID-19 that have implemented various trade facilitative measures which were a targeted response to the pandemic and the plan was not to lock these in the WTO, given the exceptional circumstances presented by the pandemic. We must therefore avoid one-size fits all approaches that would aim to convert unilateral trade facilitative and tariff liberalization measures implemented in the context of this crisis into permanent commitments.

5.241. Important missing elements in the thematic areas covered by Ambassador Walker, in our view, are aspects of food security and livelihoods and economic recovery which must complement the trade related aspects. A clear determination to develop a sustainable policy environment that will facilitate the development and rebuilding of industries to foster resilience against any future pandemics, especially in developing countries, is critical. Economic recovery and a development-oriented agenda will go a long way in building resilience and inclusive growth and development.

5.242. Finally, the biggest challenge we face in the fight against the COVID-19 pandemic is the concentrated and insufficient supply of essential health technologies. A telling example is the case of Africa, which relies on imports for 99% of its vaccine supply. Coupled with vaccine nationalism, this strategic vulnerability has resulted in about 3% of people above the age of 12 being fully vaccinated in Sub-Saharan Africa. This is compared to 63.4 % in Europe. The only sustainable solution is the ramping-up and diversification of manufacturing.

5.243. Addressing IP barriers is a crucial element in dealing with market concentration, which leads to inequitable distribution. We would insist that an outcome on the TRIPS Waiver must form part of the WTO response to the pandemic. A comprehensive outcome to the WTO response must include all key aspects, the most important to a sustainable response being aspects that will result in diversification of production. The TRIPS Waiver is therefore integral to a credible response.

5.244. The representative of Canada delivered the following statement:

5.245. Thank you Chair for your report. Now, for the much-anticipated Canadian intervention on 5c), on behalf of the cosponsors of the draft General Council Declaration COVID-19 and Beyond Trade and Health, Canada wishes to thank Ambassador Walker for his report today. An increasing number of Members have provided support to this initiative with a very practical aim, which is the WTO can make trade part of the solution to what remains a global challenge. We welcome Costa Rica as a cosponsor and encourage others to join this effort.

5.246. We circulated a draft version of a draft Declaration in July and we have continually pointed to it in our contribution to the multilateral facilitator process for MC12. We welcome the ongoing positive engagement in the process with the view to finding the pathway towards MC12 and beyond. The co-sponsors urge the identification of complementarities so that our multilateral outcome on this critical issue can emerge for MC12. That multilateral outcome should include a number of concrete deliverables to respond to the current crisis and prepare for future ones. We see an MC12 outcome comprising these key substantive elements: steps for better and more timely transparency of government trade-related actions, that Members exercise restraint when imposing and implementing export restrictions and that they review them and eliminate unnecessary ones, establishing best practices and lessons learned in customs and trade facilitation, including a call to accelerate the implementation of the TFA, promotion of regulatory cooperation, steps for better monitoring of market developments to support quick identification of possible supply chain disruptions, improved cooperation between the WTO and other international organizations and the private sector to enhance resiliency and improve preparedness.

5.247. As outlined in the Draft Declaration, we also believe these elements may be complemented by additional aspects of trade policy including those related to intellectual property. In order to drive the process towards forward post MC12 this result needs to be coupled with a clear Work Programme for delivery by MC13. In addition to the key substantive elements to be agreed at MC12, Ministers should also provide guidance at MC12 on such a Work Programme including its terms and objectives, scope and delivery timelines. We welcome continued engagement with the WTO Membership regarding how best to operationalize the Work Programme including ideas of cross cutting forum which could integrate the work by individual committees as well as other ideas. The Work Programme should build on the MC12 outcome and provide more concrete deliverables at the latest by MC13 without prejudice as to the form of such outcomes at this stage. Given the little time left before MC12 we invite the Facilitator to engage in text-based discussions as soon as possible.

5.248. The representative of Thailand delivered the following statement:

5.249. We thank you Chairman for your draft, I agree with the structure and we will work together with others. On the systemic issues, as has been explained in detail already by the Ambassador of Norway and the Ambassador of Switzerland, we are also a supporter of that paper, so we would like to see that some elements of the proposal to be considered as part of the Declaration. Notwithstanding a suggestion from the Ambassador of the Russian Federation, we should not try to put too many things in there. The paper already contained language that we think is very balanced and we invite all non-supporters to take a look at the proposal.

5.250. The second issue I would like to see in there, which normally I do not highlight, is e-commerce. This is a very important issue for us, and we have been participating in all sorts of negotiations and discussions relating to e-commerce. We would like to see the extension of the moratorium being part of MC12 and we want to see a further addition of issues relating to e-commerce on the JSI.

5.251. Third, about Ambassador Walker, we are very thankful and take note of his presentation and what he has been consulting about, the non-legal aspects of the WTO issues that are relevant to the pandemic. We prefer to have the holistic approach on this matter, and I talked about this in the morning already on the TRIPS Waiver. We are also very interested in it, but maybe with a narrow scope only related to vaccines, but for the treatment of the pandemic in the WTO we prefer a holistic approach.

5.252. I want to highlight two issues that he has said, first, we welcome the active participation by the Secretariat in doing some more academic work and helping Members in providing details and information. I do not like to negotiate in ignorance, without any basis or evidence and studies that support our negotiations and I think the Secretariat has to step up their contribution on these discussions. Second, on the issue of collaboration with international organizations, we also welcome that. Lastly, we will be happy to participate actively in future negotiations on this issue. Some other things that Thailand wants to highlight is about supply chain, trade facilitation and also, we just heard from the Ambassador of Canada, some elements that will be a good basis for our future discussions on this issue.

5.253. The representative of the European Union delivered the following statement:

5.254. The European Union thanks the General Council Chair and Ambassador Walker for your reports and consultations. The European Union welcomes the launch of the process to reach an alignment among Members on the content of the Ministerial Declaration for MC12. That said, we have some concerns: even if the process is built 'bottom up', negotiations will still be required once the text is on the table. Circulating a text only at the end of October would actually be late. We need to go quickly – and the European Union would like to convey a sense of urgency.

5.255. On e-commerce, the European Union remains committed to ongoing discussions on the moratorium. We reiterate our support for extending the moratorium - at least until the next Ministerial Conference.

5.256. The European Union also thanks Ambassador Walker for his efforts as Facilitator on the WTO Response to the Pandemic. This response is one of the most important points for the forthcoming Ministerial Conference. We subscribe fully to the statement delivered by Canada on behalf of the cosponsors of the Trade and Health Initiative. There is now sufficient material on the table and we hope that the existing submissions will help Ambassador Walker in contributing to define what could be the WTO response at MC12 – as well as post-MC12 as we cannot exhaust the discussions within two months. Of course, an outcome on the Trade and Health strand of work will need to be complemented by the Intellectual Property part of the discussions. The European Union is ready to work with you and the rest of the Membership to assist you to put us on the right track.

5.257. The representative of Indonesia delivered the following statement:

5.258. On Agenda item 5.A, we thank the Chair for the outline, which we consider balanced, objective and factual. The draft reflects the current situation while reaffirming the principles and commitments which will guide us post-MC12. While we need to avoid the Christmas tree syndrome,

we should nevertheless highlight work and outcomes where consensus has been reached among the Members. We should avoid controversial issues that would prevent us from reaching an agreement on the Declaration. Bearing in mind that the last Ministerial Conference was four years ago, the world is watching us, and we need to show them our solidarity and ability to cooperate with each other.

5.259. On Agenda item 5.B, we will refer to it under Agenda item 6.

5.260. On Agenda item 5.C, Indonesia thanks Ambassador Walker for his report. Indonesia reminds all of us that the COVID-19 pandemic is far from over. We can only stop this deadly pandemic if we do it together and simultaneously in every corner of the world. Though we can consider current outcome proposals to address supply chain and distribution issues of vaccines, the response would be incomplete if it does not also address the issue of inequity and scaling up of vaccine production. Indonesia strongly urges including the temporary TRIPS Waiver as an integral part of the WTO Response to the Pandemic, to ensure that this Organization contributes to the equal access of COVID-19 vaccines – a TRIPS Waiver that is targeted, time-bound and proportionate.

5.261. The representative of the United Kingdom delivered the following statement:

5.262. I will only comment in detail on the MC12 Outcome Document. Before I do, I would like to express the United Kingdom's support for the statement by Canada on behalf of the Trade and Health Initiative co-sponsors.

5.263. Turning to the MC12 outcome document, I want to thank you for your efforts on moving forward these discussions and thank you for the draft language you have proposed and accompanying three questions that my colleagues in capital are currently considering. For now, I would just like to record three points. We think the outcome document needs to recognise the twin crises the world is facing right now, both the pandemic, and the climate crisis. This latter will be top of all our minds in late November coming hot on the heels of COP26 in Glasgow. As well as recording outcomes agreed at the Conference, we should use the document to set a strong platform for our work post-MC12, not least on the critical question of WTO Reform. We should also seek to give guidance on the way forward on other issues important to our societies and businesses in the third decade of this 21st century, including environment and climate change, gender, and services amongst others. While we should find consensus wherever we can, we should not be too afraid of constructive disagreements. If it helps us get an agreed document overall, we may need to accept recording the different views of Members across certain issues. We look forward to continuing to engage in this process.

5.264. The representative of Republic of Korea delivered the following statement:

5.265. An MC12 outcome in the area of trade and health is of particular importance because it will not only provide multilateral guidelines and best practices in response to the current and future pandemic, but it would be the very evidence of the WTO's relevance that can make an impact in the real world. In this regard, I am convinced that the Trade and Health Initiative and comprehensive trade-related actions and principles can certainly form a good basis for the MC12 outcome. After all, the WTO is an organization that governs international trade and promotes open market. In line with this, we should focus on keeping essential medical goods to flow unimpeded and global supply chains to be protected. With that, my delegation will continue to work with WTO Members for the meaningful outcome in this area and support the facilitator's process to integrate all the relevant proposals. We look forward to the Facilitator's document prepared for the MC12 outcome.

5.266. As regards item 5.B, it is positive that despite different views, Members have a common understanding that the growth of e-commerce helped facilitate faster and more affordable trade, and provided increased opportunities for businesses, including MSMEs and women entrepreneurs, especially during the pandemic. In this respect, my delegation recognizes the value of the Work Programme, and stands ready to discuss ways to move forward under your leadership.

5.267. The representative of Australia provided the following statement:

5.268. Australia is working for an MC12 outcomes package that covers new multilateral and plurilateral trade rules, a credible response to COVID 19, and a way forward on WTO reform. On

fisheries subsidies, we are closer than we have ever been to finalising these negotiations – but there are some important compromises still to be made.

5.269. On Trade and Health, we thank Ambassadors Walker, Spencer and Tan for their considerable efforts in consulting Members on possible MC12 outcomes. We also support the statement made by Canada on behalf of the Trade and Health Initiative co-sponsors. That initiative forms a credible and realistic basis for a multilateral outcome at MC12. While we recognise the need for pragmatism, it is also important that we achieve an outcome on trade and health that is ambitious enough to meet stakeholders' expectations for what the WTO should be able to deliver in response to a crisis of this magnitude. At a minimum, this will require us to reaffirm the value of openness in the international trading system, and the importance of ensuring any emergency trade measures, including export restrictions, are targeted, temporary, transparent and consistent with WTO rules.

5.270. There appears to be broad support for work on trade facilitation, regulatory coherence and cooperation between Members. Outcomes on transparency and monitoring, and increasing the WTO's engagement with other international organisations, also appear to be doable. We also encourage all Members to engage in ongoing discussions on the intellectual property issues with a spirit of compromise and flexibility, with the goal of achieving an outcome on those issues by MC12.

5.271. Our priority remains to secure a meaningful outcome on agriculture at MC12 that lays the groundwork for subsequent negotiations that have the prospect of leading to meaningful reform, particularly on domestic support, Public Stockholding for Food Security Purposes (PSH) and transparency. Australia would also like to see a plurilateral outcome on the services domestic regulation joint statement initiative (JSI) by MC12 and substantial progress on the e-commerce and investment facilitation JSIs. An MC12 package should also incorporate outcomes that promote sustainable and inclusive trade – encouraging environmentally sustainable policies that support global trade; promoting MSME participation in trade; and ensuring women have better opportunities to benefit from trade. It should also include a plan for progressing WTO reform beyond MC12. In particular Australia would like to see a commitment to a reform pathway to reinvigorate the WTO dispute settlement system and to enhance transparency.

5.272. The representative of Colombia delivered the following statement:

5.273. Under this Agenda item, we wanted to touch on two points, the first regarding our preference for the outcome document of the Ministerial Conference and the second concerning the Organization's efforts to deal with the pandemic. On the first point, we would like to state that, for Colombia, it is important for the outcome document of the Ministerial Conference to contain a reference to the Dispute Settlement Body, and in particular to the Appellate Body impasse and the growing number of disputes in limbo. We understand the difficulties in this regard, but I am sure that we can find common ground. Above all, we do not consider it appropriate to stop mentioning this issue, as we would be contributing to its "normalization". In this vein, we fully support the statement by the Friends of the System read out by Switzerland yesterday.

5.274. On the second point, related to the Organization's pandemic response, we would like to state that, from our perspective, the global trade in vaccines, specifically among countries, has so far failed to find an appropriate solution. Since our "appeal" at the General Council meeting of 1 March this year on behalf of six Latin American vaccine-importing countries, we have insisted that, besides global vaccine production, the functioning of global trade in vaccines should be predictable and reliable. What we have seen, however, is that vaccines and their components, which are perhaps the most precious commodities at the present juncture, do not circulate freely or predictably.

5.275. We have talked a lot about the problem of vaccine production, and this is very important. But we cannot overlook the fact that, once produced, vaccines are not being properly marketed under the most basic free market conditions. Several Members have imposed multiple restrictions on exports and are making little effort to be transparent about these restrictions. Proof of this lies in the fact that the vast majority of vaccines have remained in the countries where they are produced. To some, this seems intuitive, even justified, but in reality it is the frustration of the promises of free trade. This Organization and the agreements underpinning it are based on the fundamental understanding that it is not necessary to produce all goods, since some countries can be more effective in producing and marketing them, leading to a win-win situation. The distortions we are witnessing with regard to vaccines undermine this premise.

5.276. Consequently, we are faced not only with a global public health crisis but also with concerns over the functioning of the multilateral trading system and a questioning of its principles. Colombia considers that, in addition to talking about the production of vaccines and components, trade facilitation, and cooperation with other bodies, among other highly pertinent issues, we cannot avoid a frank discussion on perhaps the most natural issue for this Organization, which is the distortion and erosion of the system of imports and exports for vaccines.

5.277. With our Latin American partners, we have made specific proposals and have drawn attention to the problem of the truncated trade in vaccines. However, the current discussions aimed at achieving a concrete outcome at the Ministerial Conference give little consideration to these elements and do not heed the voices of those of us who have shared specific concerns and suggestions. Global crises such as the COVID-19 pandemic require us to leave aside mercantilist interests and encourage collective action.

5.278. The representative of India delivered the following statement:

5.279. On Agenda item 5.A, we remain fully engaged in the process which you are leading.

5.280. On Agenda item 5.B, we will be making our statement under Agenda Item 6.

5.281. On Agenda item 5.C, my delegation would like to thank the Facilitator for WTO response to pandemic for his report. We would also like to thank both the Facilitator and the General Council Chair for their consultations on this issue. India has been regularly participating in these discussions. We have also submitted a list of elements, stating that we like these to be discussed as part of this process. For the benefit of Members, let me present those elements:

5.282. The Secretariat to prepare a catalogue of flexibilities under the WTO Agreements, and Members to consider how to use these flexibilities and how to improve access to them to best enable a response to current and future pandemics as well as natural disasters, including through consideration of possible escape clauses or a 'peace clause' to avoid disputes. We also need to identify WTO Agreements, which do not contain such flexibilities or escape clauses and examine possibility of providing flexibilities/escape clauses in such Agreements, to best enable a response to future pandemics as well as natural disasters.

5.283. Most of the International Organizations, like the International Monetary Fund, have introduced flexibilities or deviated from their stated stance to enable countries tackle the pandemic. Can the WTO also catalogue rules, which can be relaxed/loosened to enable Members tackle adverse impact of pandemics and natural disasters?

5.284. The WTO response should not only try to address the existing trade barriers, but also address new and emerging ones, like vaccine differentiations or COVID passports affecting personnel movements in turn resulting in trade barriers for export of services. WTO response, in addition to focusing on facilitating the free flow of goods, should also provide for the free flow of services and supplies, like health services, international telemedicine services needed for handling the pandemic or natural disasters.

5.285. While considering issues relating to export restrictions as part of the WTO response, Members shall also keep in mind that export restrictions are symptoms of acute supply side constraints, and till we address such constraints, exports restrictions will continue to surface one way or the other. We must acknowledge that meeting domestic demand of critical products is a priority over trading those products.

5.286. While providing for regulatory coherence to avoid duplications and save time, due care should be taken to ensure that all concerned regulatory authorities have access to the regulatory dossiers from the regulatory authority providing initial approval.

5.287. Temporary measures such as trade facilitation measures and tariff liberalization, which in any case Members can put in place on their own to handle pandemics and natural disasters, need not be made permanent, as making them permanent would unnecessarily circumscribe Members' policy space during normal times. The decision to take any measure permanent or not should be left to the concerned Members, as per the rights and obligations under the WTO.

5.288. As part of its response to pandemics and natural disasters, the WTO, along with other International Organizations, need to work on putting in place a pandemic response system, wherein we create a pool of resources in terms of essential goods and services to tackle such pandemic or natural disasters. In the context of current pandemic, such goods could be oximeters, oxygen concentrators, test kits, and some essential medicines; while such services could be healthcare services, telemedicine, etc. Operationalizing this mechanism in case of essential goods would include mapping manufacturing capacities and demands and matchmaking to cater to such demands. In the case of services, it would involve pooling resources in terms of healthcare and other professionals drawn from various Members with mutual recognition or with relaxed recognition norms, temporarily facilitating the movement of such professionals, including through temporary measures involving special visas/permits, to match the availability of such resources with demand and provide for short duration supply of their services, say for a period of four to eight weeks, both physically or remotely, to address the acute shortages.

5.289. Food Security issues, including Public Stock Holding for food security purposes. While addressing food security concerns is a legitimate ask, the same goes beyond the ambit of the package for the pandemic. Food security is a well-recognized concern faced by the world, especially in the developing countries and LDCs. A permanent solution to the issue of PSH for food security would go a long way in serving the countries beyond pandemic times.

5.290. And most importantly, addressing intellectual property challenges in augmenting manufacturing capacities and ensuring unimpeded, timely and secure access to quality, safe, efficacious and affordable health products and technologies for all, for a rapid and effective response to pandemics, including Waiver from specific provisions of TRIPS Agreement, wherein the TRIPS Waiver component has to be finalized before MC12. Any WTO response to pandemics without TRIPS Waiver element will not be credible.

5.291. For the WTO response package to be effective, it shall also contain an inbuilt monitoring mechanism to assess its effectiveness of measures put in place, whether they are providing desired results, and if not, what further steps need to be taken.

5.292. We are willing to engage constructively in any process to formulate an effective WTO response to pandemics and natural disasters, including engaging in any text-based process, provided such discussions follow a balanced approach and address issues of concern to all Members. In conclusion, we need to be mindful that lives and livelihoods are being lost and economies world over are suffering while we continue to debate, for more than a year by now, on issues relating to the WTO's response to the pandemic, including the TRIPS Waiver proposal. The credibility of this institution hinges in quickly formulating such a response, of which the TRIPS Waiver has to be an essential part of.

5.293. The representative of Kazakhstan delivered the following statement:

5.294. I just would like to mention that my country became a Member of the WTO, as Honourable Minister from Liberia has mentioned, also very recently, six years ago, in 2015 we finalised our accession negotiations. Since then, I thought that as soon as I become an Ambassador here I would be negotiating, but so far I am only listening to statements, at TNC meetings, at General Council meetings, we always appeal to General Council Chair or TNC Chair and speak to the Chair but not to each other. I think it is high time to start talking to each other having outreach and discussing the sensitive issues. We should go beyond our national interests, which are very well known. Having a package of each country's position on each issue, I believe is not going to lay the ground for the outcome at MC12. In order to reach an outcome at MC12, we need to negotiate. I just would like to call my colleagues here that it is high time, and the days are subsiding as well as the level of our ambition is lowering down. Now we are speaking about political declarations, even we are not confident that these political declarations for the Ministerial Declaration as well as the WTO's response to COVID, will come out. Even for political declarations we need to negotiate. I would like to encourage, to call on you, that we need to start discussing with each other not only reading and stating again and again our national interest, which is very well known to each of the sides. We need to work and to be very serious with the results of MC12 if we really want to get an outcome at MC12, if we don't, we can continue reading our national statements. I thank the General Council Chair and Ambassador Walker for your hard work, and we stand ready to help you and to enrich the documents, the skeletons of which you have presented to us.

5.295. The representative of Hong Kong, China provided the following statement:

5.296. Under item 5.B, the moratorium on customs duties on electronic transmissions has underpinned a stable, predictable and conducive environment for international e-commerce for more than two decades. Hong Kong, China all along supports making this moratorium permanent, but if we cannot forge a consensus on this in time by MC12, we believe the moratorium should be extended further until at least the following Ministerial Conference. This decision will be crucial to avoiding unnecessary disruptions to the global e-commerce environment during this critical time under the pandemic, it will also contribute to a speedy post-pandemic global economic recovery.

5.297. The representative of Japan provided the following statement:

5.298. On item 5.C, at MC12, we should aim to agree on a Ministerial Declaration on health that includes important factors such as trade facilitation, export restrictions, and production expansion of COVID-19 vaccines and therapeutics. In particular, Japan would like to include elements of the draft General Council Declaration on Trade and Health (document WT/GC/W/823/Rev.1) in the Ministerial Declaration, from the perspective of ensuring the content is meaningful.

5.299. The representative of Morocco provided the following statement:

5.300. Regarding item 5.C, I would first like to reiterate my country's unflagging support to the Director General for her tireless efforts and her commitment to reinforcing global manufacturing and equitable distribution of tools to tackle COVID 19, including vaccines. My country also supports the work done by the WTO to ensure viable supply chains worldwide and to bar any kind of protectionism or nationalism. Furthermore, allow me to join the previous speakers in thanking Ambassador Walker for his commitment and excellent report.

5.301. With the Twelfth Ministerial Conference (MC12) just a few weeks away, the WTO must seize this opportunity to demonstrate its relevance, in general of course, but even more so in addressing global crises, through clear and active participation in the international effort to tackle the COVID-19 pandemic. To this end, Members must take a deliberate political stance while keeping in mind the specific needs of developing countries and least developed countries (LDC) in the context of a pandemic, the full magnitude of which is still unknown.

5.302. Since we did not take the floor under Agenda item 4, and as a Member of the African Group, one of the co-sponsors of the Proposal for a waiver from certain provisions of the Trade Related Aspects of Intellectual Property Rights Agreement for the prevention, containment and treatment of COVID-19, we consider that a plausible outcome in the response to the pandemic must include this proposal.

5.303. While we concentrate our efforts on attaining constructive outcomes at MC12, we must also bear in mind the medium and long term. To do so, the heart of our concerns should not only be reviving the global economy in a structured manner, but also closing the gaps that became apparent post pandemic, by focusing on appropriate and sufficient access to financing, targeted capacity building, effective technology transfer and better management of debt issues. This is the path to inclusive growth and sustainable development.

5.304. The General Council took note of Chair's reports, the report of the Facilitator on the WTO Response to the Pandemic and of the statements made.

6 WORK PROGRAMME ON ELECTRONIC COMMERCE AND MORATORIUM ON IMPOSING CUSTOMS DUTIES ON ELECTRONIC TRANSMISSIONS – REQUEST FROM INDIA AND SOUTH AFRICA

6.1. The Chair recalled that India and South Africa had requested that the item concerning the Work Programme on Electronic Commerce and Moratorium on Imposing Customs Duties on Electronic Transmissions be included in the agenda of today's meeting. The item had also been included in the agenda of the March, May and July meetings, as well as previously in October and December 2020.

6.2. The representative of South Africa delivered the following statement:

6.3. Under items 5.B and 6, we associate ourselves with the statement by the Africa Group and the ACP Group. We thank you Chair for your report and efforts on this important topic as captured in Agenda item 5.B. The South African and Indian delegations have consistently called for structured discussions in the General Council to be reinvigorated. This is all the more important in the context of the pandemic which has exposed the enormous digital divide.

6.4. The growth of e-commerce during the COVID-19 pandemic has yielded benefits for some Members but these have been spread unevenly among and within countries. The digital economy is characterized by high levels of concentration that constrain the accrual of benefits to MSMEs. The Work Programme is designed to adopt a comprehensive and holistic approach to e-commerce to facilitate equitable benefits for all. The reinvigoration of the Work Programme is, therefore, critical given our interest an inclusive digital economy that promotes digital industrialization and the need to address the digital divide.

6.5. With technological developments, there has been a rapid increase in online trade of digitised and digitizable goods. Many goods are leaving their physical carriers and are crossing borders electronically. In our submission, document WT/GC/W/798, we stressed that re-consideration of the moratorium is critical for developing countries to preserve policy space to regulate imports, generate revenue through a simple and direct instrument such as customs duties and achieve digital industrialization.

6.6. An expanded definition of Electronic Transmission (ET) that includes services is of concern to us. Research by UNCTAD (June 2020-Research Paper 47) estimates that total imports of services via Mode 1 amounted to USD 705 billion in 2017 while total imports of digitizable products were around USD 80 billion in 2017. The UNCTAD Paper also estimates potential losses from the moratorium as amounting up to USD 10 billion per annum for developing countries and only USD 289 million in losses for advanced economies. These forgone revenues to developing countries will be compounded by rapidly increasing advances in technologies such as additive manufacturing.

6.7. Issues identified by Members under the Work Programme such as classification, definition and scope must be clarified under a multilateral process to enable a common understanding on e-commerce must be addressed. We believe that structured discussions on the scope and definition of ET are required in order for us to understand the real impact of the moratorium on customs duties given the different views of Members. Broadening the scope for goods and the inclusion of services covered under GATS Mode 1, without fully understanding the implications, poses risks to Member and drastically encroaches on the policy space and flexibility of developing countries to regulate importation of services. The absence of a shared and common understanding on the scope and definition of ET will make a decision on the extension of the moratorium at MC12 difficult. We must reinvigorate the Work Programme so as to remedy the unsustainable inequities and broaden the benefits from growing e-commerce.

6.8. It is sometimes argued that exporters from developing countries need to import digitizable products in order to improve their production and exports of many products and services. Removal of the moratorium in no way means that Members will necessarily impose customs duties across the board. The key is policy space and to use such policy space appropriately for domestic digital industrialization and generation of local jobs in the era of Industry 4.0. In addition, internal taxes are not a substitute for tariffs which serve a different purpose which is importantly a policy tool for industrial development.

6.9. Developmental aspects of electronic commerce; scope, definition and impact of the moratorium on customs duties on electronic transmissions; and examination of the challenges experienced by developing countries and LDCs (least developed countries) in relation to electronic commerce, and explore ways of enhancing the participation of developing countries in electronic commerce, remains key.

6.10. These are among a range of issues that India and South Africa have unpacked in a series of papers that will soon be shared with the broader Membership. It is hoped that these papers will spur discussion on developmental aspects of the WTO mandated work.

6.11. The representative of Nigeria delivered the following statement:

6.12. In our intervention yesterday under item 5.B we highlighted our perception, understanding and our position on e-commerce and, of course, we pointed our support for more structured and targeted discussions on horizontal and vertical issues regarding the trade-related aspects of e-commerce under the Work Programme, with the view to setting an inclusive and development-oriented agenda for consideration by Ministers at MC12. Regarding the moratorium on electronic transmissions, Nigeria is mindful of the negative effects of an unpredictable global e-commerce environment for businesses and consumers that is likely to occur from the non-renewal of the moratorium at the MC12. This would be devastating given that the world is still struggling to recover from COVID-19 and the climate regarding economic difficulties. In view of this, we have consistently said that Nigeria is in support of the temporary extension of the moratorium at MC12.

6.13. The representative of Sri Lanka delivered the following statement:

6.14. On Agenda item 5.B and Agenda item 6, my delegation wishes to reiterate its statements made and positions elaborated in the previous General Council meetings as well as at General Council Chair's consultations, which took place under different configurations. We stress that re-consideration of the moratorium is critical for developing countries to preserve policy space to regulate imports, generate revenue through a simple and direct instrument such as customs duties and achieve digital industrialization.

6.15. Based on the identification of a small number of digitizable goods in five areas, UNCTAD has estimated a loss in tariff revenue of more than \$10 billion per annum globally because of the moratorium, 95 per cent of which is borne by developing countries, including Sri Lanka. It is also to be borne in mind that this calculation does not include custom surcharges (CESS), Other Duties & Charges, and Internal Taxes. When we consider that Customs duties on electronic transmissions cover, not only digitised and digitizable goods, but also digitally transmitted services, the negative impact of continuing with the moratorium on developing countries would be even greater. According to the World Bank collection of development indicators, compiled from officially recognized sources, revenue generated from Customs and other import duties in Sri Lanka is reported at 19.08% of overall tax revenue in 2019, which indicates its bias towards more outward trade. Sri Lanka is a net importer of Electronic Transmission products and as revealed in the UNCTAD study, the corresponding Sri Lanka's per annum tariff revenue loss of the moratorium on imposition of customs duties on Electronic Transmission items is USD 10 Million, this comes to around 2% of Sri Lanka's total revenue from customs duties alone in 2019.

6.16. The proponents state that there will be significant gains and benefits for developing countries through the continuation of the moratorium, but they continue to fail to address concerns of the developing countries with respect to the importance of preserving their policy space. Customs duties are used by countries to support nascent domestic industries, regulate an unwanted surge in imports and facilitate industrialization. Countries like Sri Lanka need policy and fiscal space in the digital economy so that they can develop their digital competencies in their own space and provide a level playing field to their infant digital sectors. The development experience of nearly all countries across the world makes it evident that tariffs are amongst the most effective policy tools for achieving these objectives. Customs duties have been resorted to by developed countries to provide protection to their industry and to enable them to become internationally competitive. It is only fair that the developing world be given a similar opportunity. Thus, retaining the policy space to impose customs duties becomes an important objective in itself.

6.17. The absence of a shared and common understanding on the scope and definition of electronic transmissions will make a decision on the extension of the moratorium a challenge at MC12. It is therefore extremely important to have structured and focused discussions under the Work Programme on E-commerce, so as to remedy the unsustainable inequities and broaden the benefits from growing e-commerce. Sri Lanka has high expectations for MC12 in this regard. It is important that WTO Members share their know-how to bridge the digital divide and facilitate digital technology transfers.

6.18. Sri Lanka stands ready to engage meaningfully and constructively towards the collaborative formulation of the mutually agreeable recommendation on the moratorium for the consideration of

Ministers in MC12, and needs assurances from Members, particularly the ones who are ready to address the concerns of developing countries.

6.19. The representative of Nepal delivered the following statement:

6.20. My delegation thanks India and South Africa for bringing the agenda item at this meeting. In the wake of the pandemic, we cannot survive without going digital. However, due to huge digital divide among and within the Members, the LDCs and LLDCs have not been able to participate in global trading system through e-commerce. Insufficient ICT infrastructure, and weak institutional and human capacity are their main obstacles. Needful intervention has become urgent through the E-commerce Work Programme to enable LDCs and LLDCs not to benefit from but just to survive in the global trade. Widespread access to telecommunications at low prices and with latest technology; strengthening human, institutional and technical infrastructure; capacity-building in information technology; and promoting technology transfer and foreign direct investment would be some important initiatives to overcome their capacity constraints in e-commerce.

6.21. Regarding the issue of the moratorium, clarity on the scope of the moratorium is absolutely necessary. Finally, implications of a continued moratorium should be assessed before taking any decision on it.

6.22. The representative of Vanuatu, on behalf of the Pacific Group, delivered the following statement:

6.23. We would like to thank India and South Africa for the proposal on electronic transmissions. E-commerce has grown significantly in recent years and particularly more in response to the COVID-19 pandemic, as businesses adapt to lockdowns around the world. The Pacific sees e-commerce as both providing potential opportunities to harness our trade and build resilience to external shocks. However, many developing countries, including our Group, were not able to take advantage of these online opportunities due to various challenges, particularly for small and micro enterprises, this includes weak infrastructure, limited skills, low level of access to internet and high connectivity costs. We, therefore, consider the Work Programme on E-commerce as an important platform to help us address the digital divide faced by small vulnerable economies like us. In this connection, the Pacific Group supports the reinvigoration of the Work Programme on E-commerce as agreed by the General Council in December 2019, which also called on structured discussions under the Work Programme and the moratorium, including its revenue impact. We, therefore, support a call for you, as Chair, to facilitate structured discussions on the reinvigoration of this Work Programme and we support the extension of the Work Programme at MC12.

6.24. The representative of Mauritius, on behalf of the African Group, delivered the following statement:

6.25. We thank India and South Africa for introducing these two issues on the Work Programme on E-commerce and also the moratorium on imposing customs duties on electronic transmissions. The African Group supports the call by India and South Africa for a more targeted discussion on the Work Programme for E-commerce and we emphasize the need for reinvigorating the process, this Programme, and for bringing greater clarity and timelines in the process of reinvigorating the framework. We appreciate, Chair, that the digital divide in Africa goes beyond the walls of this institution and we believe nonetheless that the WTO would have an important role to play in helping bridge the digital divide which today separates Africa from the rest of the world, and which has been further exacerbated during the pandemic. On the issue of the Moratorium, at this point I would like to add that many countries in Africa are still waiting the results of studies being conducted on the effects of the moratorium on them so we may come back on this one later.

6.26. The representative of Switzerland delivered the following statement:

6.27. Switzerland has noted with interest the instructive discussions that have taken place since the last renewal of the moratorium on customs duties on electronic transmissions. The health crisis has been an eye opener, revealing the usefulness of digital trade and its considerable economic potential for all Members. With regard to the digitalisation of economies, Switzerland is aware of the existence of various digital loopholes and the difficulties faced by a great number of developing Members, in particular least developed countries. While these difficulties call for appropriate

responses, we are firmly convinced that the deterioration of the framework conditions for digital trade is not one of them. Switzerland therefore strongly supports the moratorium on electronic transmissions. However, we are aware of the reluctance of some Members to make the moratorium permanent. We will therefore work to find a compromise solution in order to arrive at a decision at the Twelfth Ministerial Conference.

6.28. In addition, various aspects of digital trade and the moratorium are addressed in the "structured discussions" agreed in December 2019. In this regard, we would like to thank you for organising an open-ended meeting on 5 July, which allowed for interesting discussions. Switzerland is of course ready to continue the revitalisation of the Work Programme, and to continue exchanging views within the framework of the structured discussions and the specialized bodies.

6.29. The representative of Ukraine delivered the following statement:

6.30. Ukraine would like to reiterate its position on this issue. Ukraine remains a strong supporter of the Moratorium on customs duties on electronic transmissions since it believes it encourages the engagement of business, especially MSMEs, in cross-border e-commerce and has already contributed significantly to its global growth. Ukraine supported the extension of the Moratorium until MC12 and confirms its readiness to continue the work on this issue with interested Members under the Work Programme on Electronic Commerce.

6.31. The representative of the United Kingdom delivered the following statement:

6.32. The United Kingdom is a strong supporter of the Moratorium on imposing customs duties on electronic transmissions and supports the position that it should be made permanent. The increasing uncertainty on the moratorium being extended at MC12 has resulted in an uptick of concerns from stakeholders. We therefore call on Members to productively engage in discussions on extending the Moratorium at MC12.

6.33. The representative of Jamaica, on behalf of the ACP Group, delivered the following statement:

6.34. The ACP Group wishes to thank India and South Africa for placing this item on the agenda of this meeting, we also wish to thank both Ambassadors for their statements. As indicated in previous General Council statements, the 1998 E-commerce Work Programme is a critical aspect of the WTO's regular work. We reiterate that the WTO must deepen engagement in understanding the question of the customs duties moratorium as we continue to believe that these discussions must go beyond the moratorium to include other pertinent issues such as the extent of coverage of digital or internal taxes.

6.35. We also recall our concern that in the MC12 we will again face the expiry of the moratorium should we fail to make sufficient progress in our discussions on the scope, definition and impact of the moratorium on customs duties on electronic transmissions. Significant strides have been made in advancing ICT infrastructure and services and we have seen the benefits in many respects during the still evolving COVID-19 crisis. It is, however, important that we emphasize that the significant digital divide that continues to exist within and among countries must be addressed with utmost urgency. This brings us back to the need for the structured discussions on the E-commerce Work Programme and its renewal at MC12. Some of the other areas of interest of countries include the cost to developing and LDC consumers and businesses, discrepancies between traditional goods or products and their electronic equivalents and the application of internal taxes on electronic transmission. A number of issues were raised on the Work Programme on the negotiation in the JSI process. It is important that the Work Programme is prioritized as it encompasses an agreed workstream, which resulted in balanced outcomes in the context of e-commerce. A pragmatic discussion is needed within the context of the 1998 Work Programme on the issues of source code, localisation and the impact on data flows as well as consumer protection. The General Council in various formats can play a pivotal role in those discussions. Our Group will continue to play its part in ensuring that the Work Programme continues to remain relevant and addresses issues of socio-economic interest to Members of the Group. We will continue to support your leadership on these issues, Chair, as we seek to find a landing zone for MC12.

6.36. The representative of Thailand delivered the following statement:

6.37. I want to thank the DG for briefing us about the OECD meetings as well as other Ambassadors who have contributed. Thailand hopes that we will be able to find a landing zone in several key issues. We also take note of the strong statement by Kazakhstan's Ambassador last night, we should start talking to each other more. My delegation is prepared to be flexible on many key issues, but we also would like to see other key Members of both sides of the extremes of any issue showing their willingness to move as well. Many Members here, if I may speak frankly too, are in the midstream, we can be flexible on many issues, but no one wants to show their cards first, if we do not see the two extremes moving. We hope that consultations will take place either led by you, Chairman, by the Director-General, or whoever is assigned, and that we will be able to find some clear common ground or landing zones for several key issues that are coming very quickly. We only have a few weeks left, and I share the same sense of urgency as the Australian Ambassador and Kazakhstan's Ambassador delivered yesterday. If we want to bring the Ministers here, we have to have something significant for them to show the world that the WTO is actually important and relevant.

6.38. On e-commerce, I just have two short points, because we already said that we support the extension of the moratorium yesterday. I thank the Ambassador from South Africa for her statement, I take note of the concerns that many developing countries have shared. In Thailand, because of COVID-19, we have seen the importance of growing e-commerce. Our view is that we do not need too many rules for e-commerce, especially for the entrepreneurs and businesses to grow. We may need some rules to take care of the consumers or the people. With the fast-expanding electronic commerce and trade in the digital economy, maybe some consumer groups and people are vulnerable or being taken advantage of. In our view, for the traffic of e-commerce trade, we do not want to see any unnecessary limitation, but we see the need for consumer protection, for cyberattack, for consumer fraud. We take note of the concern of the digital divide, which for me actually is not digital divide anymore. Every country has telecommunication network, telephone, mobile phone, they can make use of e-commerce, but I understand that not every country can benefit from e-commerce because it requires different kind of training and capacity building. But it is not only the matter of digital divide anymore. I truly believe that digital divide in terms of technology availability or networking has reduced quite a lot even in Africa. I take note that there are important implications on services commitments with the growth of e-commerce, especially in Modes 1 and 2, and it also has relations with Mode 3, on commercial presence. On the implication on commitments, in Thailand we are looking at it from a legal perspective, especially on electronic payments and data localisation. There are various ongoing topics which are relevant to the growth of e-commerce. We should not try to regulate or restrict access to e-commerce too much, but we have to take note and take care of concerns under consumer protection.

6.39. My second point is that I heard many Members mentioning about the loss of revenue from customs. I would say that if you allow your business to grow, your revenue will be easily offset by revenue in VAT, the consumption tax will grow in tandem with the growth of e-commerce operators and businesses who can sell or buy in the country. I understand that many countries still depend on revenue from customs, but we have seen that with many FTAs a lot of things have changed. The focus of revenue of government should shift from customs to VAT and even corporate tax and other taxes, so for me this argument may become less important in the future. That is what I have to share at this moment.

6.40. The representative of Canada delivered the following statement:

6.41. I want to thank you Chair and the Secretariat for all of your efforts to further advance this important issue. Ensuring predictability and stability, as noted by Nigeria, and certainty, has never been so key to the multilateral trading system. Therefore, given the current context, we hope all Members will demonstrate pragmatism and agree to the extension of the existing e-commerce moratorium and the Work Programme at MC12. It is clear that these two elements are closely linked, and we do not see a path forward where only the Work Programme gets extended. We certainly took note of the general concerns raised by a number of delegates and we have been engaging actively through the dedicated, structured and the General-Council discussions including through cosponsoring papers. We believe that structured discussions are the best avenue to engage in discussions on the e-commerce moratorium including on its concrete positive benefits. Canada remains committed and constructively engaged on these issues, therefore Canada is ready to focus

only on the extension of the existing e-commerce moratorium and its Work Programme at MC12 even though our long-standing goal remains a permanent prohibition.

6.42. The representative of Colombia provided the following statement:

6.43. We would like to reiterate and place on record once again our support for the renewal of the e-commerce moratorium. This position stems from a careful analysis of the implications of the decision. Colombia is a developing country that faces major challenges in matters of taxation. However, in recent decades, it has invested in boosting the digital economy and creative industries that, according to the government's analysis, will create greater wealth and tax revenues in the medium term, with the additional advantage of promoting economic growth through the strengthening of micro-, small and medium-sized enterprises.

6.44. The representative of Tunisia provided the following statement:

6.45. In the coming years, we will certainly remember 2020 as the reference year for e-commerce. Never before had an economic sector experienced such strong, sudden growth. The share of e-commerce in world trade rose by nearly 5 points in a single year. Firms and consumers who successfully 'went digital' have helped mitigate the economic slowdown caused by the pandemic. Unfortunately, most developing countries and LDCs have been unable to take advantage of the opportunities provided by e-commerce due to persistent obstacles, infrastructure, the high cost of connectivity, over reliance on fiat money, as well as limited digital skills in their countries. The divide tends to widen and delays will accumulate, because the countries that best capitalize on the potential of e-commerce today will also likely be in the best position to reach global markets throughout the digitalisation of the economy.

6.46. In this respect, Tunisia remains of the view that the WTO Members could help mitigate this divide by agreeing on a concrete and ambitious action plan that would relaunch the 1998 Work Programme on Electronic Commerce, while respecting all the Ministerial decisions that have yet to be fulfilled. Regarding the moratorium, we stress the importance of delineating the scope of the concept of 'electronic transmission', the products and activities concerned, both at present and in the future, prior to taking any decision on the moratorium. Members must have the necessary elements to assess the impact on their local industries and their financial resources. The evolution of the Work Programme on Electronic Commerce would help to shed light on certain concepts, and to better develop a shared view among Members on the usefulness of the moratorium.

6.47. The representative of Japan provided the following statement:

6.48. Japan believes that the moratorium has provided certainty and predictability in digital trade for both consumers and businesses, including MSMEs. As such, it has underpinned the development of digital trade globally. Particularly under the current COVID-19 pandemic, it is important to ensure a sound and liberalized environment through e-commerce, and to support safe or less-risky socio-economic activities.

6.49. To discontinue the moratorium at MC12 would be considered a serious step backward not only for e-commerce but for the multilateral trading system. Japan strongly believes that we should maintain our current multilateral practice of the moratorium at MC12, and make it permanent eventually.

6.50. The representative of China delivered the following statement:

6.51. China supports the effort to reinvigorate the Work Programme on electronic commerce and we call on Members to have an open and constructive multilateral discussion on e-commerce. We also agree to maintain the current practice of moratorium on customs duties on electronic transmissions, which should be updated every two years at the Ministerial Conference. This moratorium is one of the most important multilateral outcomes for the WTO since 1998, it has contributed to the rapid growth of global e-commerce and it helped the WTO to respond to the needs of the times and keep the Organization relevant. On the other hand, it is crucial and necessary for each Member to maintain necessary policy space. At present, basic consensus on the definition and scope of electronic transmissions has not been reached among Members, the impact of the permanent moratorium also needs further research, taking into account the development of the

modern technology. In addition, Members should not be prevented from imposing domestic taxes on electronic transmissions.

6.52. MC12 is approaching, considering the divergencies in this issue we suggest that Members agree to extend the current practice of not imposing customs duties on electronic transmissions until the next Ministerial Conference. We believe this will not only provide certainty to the business community but also give us more time for further discussions. Additionally, I want to emphasize that further discussion should be very serious, the Members who support the extension of this moratorium, including China, we cannot simply think that this is an issue that we can always take for granted, if the further discussions cannot effectively address the concerns expressed by the Members, I think maybe the next discussions of the extension of the permanent solution will be even more difficult.

6.53. The representative of Republic of Korea delivered the following statement:

6.54. Regarding the moratorium, my delegation commends your efforts to bridge the gap on this issue. As my delegation stressed many times, we firmly support the permanent extension of the moratorium. It is our view that the moratorium has helped increase the stability and efficiency of the e-commerce environment, and at the same time reduced the deadweight loss and also increased consumer surplus as well as supplier surplus. Moreover, many empirical studies such as the OECD report provide evidence to such benefits. In this regard, my delegation hopes that the moratorium needs to be extended permanently. Nevertheless, considering that our time is limited, we should take a wise and pragmatic approach.

6.55. In particular, some Members believe the definition and scope of the moratorium needs to be clarified. Some Members are also concerned with how the moratorium causes revenue loss and the reduction in policy space. However, other Members have different views. So, it only makes sense to extend the current moratorium while we continue with our discussion to find a better common ground among Members. Korea is committed to engaging and working with all Members in a flexible and constructive manner to reach a positive conclusion by MC12.

6.56. The representative of Pakistan delivered the following statement:

6.57. I make this statement on behalf of Ambassador Piracha who had another urgent engagement this morning. As indicated yesterday, this statement covers both item 5.B and this agenda item. Pakistan would like to thank you for your report and the consultations held with members on this very important subject. We also welcome the proposal from India and South Africa on the subject.

6.58. Pakistan is strongly of the view that, we must fulfil our mandate and reinvigorate the structured discussions on various aspects of electronic commerce. As highlighted before during this meeting, this is one of the mandates of past Ministerial Conferences which need active and urgent attention. It is important that we collectively find solutions for developing members to pressing challenges that have been intensified as a result of the COVID-19 pandemic, such as the digital divide, technology transfer, and the effective utilisation of digital raw material to advance digital development in those countries.

6.59. Structured discussions must be carried out within the various Councils and committees mandated to do so on all relevant aspects. These bodies are the correct and relevant forum for this discussion under the WTO and provide a way for a multilateral fulfilment of our mandate. Pakistan, like many other developing countries has been making efforts to move forward the discussions in these mandated bodies, and we urge Members to engage meaningfully and constructively in these bodies.

6.60. On the moratorium on customs duties on electronic transmissions Pakistan has been consistent in its view that a fundamental reassessment of the situation is required due to new technological developments and emerging realities in the digital realm. We also understand that without the moratorium, Members may still choose not to impose duties, but it will only allow members the critical policy space that they need in this crucial time.

6.61. Technology, especially in the digital age, is a powerful enabler. Developing countries lag far behind advanced countries in their access to, and utilisation of modern digital technologies. At the

same time, while acquiring technological capabilities, developing countries remain cognizant of serious revenue and industrial implications arising from digital advancements such as Artificial Intelligence and 3-D printing. We should therefore move for a renewal only after a conclusive re-examination on the implications of such developments and the moratorium.

6.62. The representative of Zimbabwe delivered the following statement:

6.63. The benefits in the exponential growth of the digital economy have not been equitably distributed due, in part, to the digital divide. There is growing evidence that the inequitable balance in digital trade has resulted in the closure of industries, loss of revenues and jobs in most developing countries. Furthermore, the emergence of new technologies such as artificial intelligence and blockchain further exacerbates the need for thorough interrogation and analysis to ensure that any trade rules offer sufficient scope for equitable growth and benefits in the digital economy.

6.64. As we grapple with effects of the COVID-19 pandemic, e-commerce has been identified in enhancing trade and propelling global pandemic recovery to boost economic growth. It is therefore vital to maintain a stable and predictable digital trading environment for the benefit of both consumers and producers. Furthermore, there is need for collective efforts in addressing the digital divide within and among countries. In line with this, Zimbabwe reiterates its commitment to reinvigorate work under the 1998 Work Programme on Electronic Commerce which was established to examine all trade-related issues arising from global e-commerce.

6.65. The representative of the European Union delivered the following statement:

6.66. The European Union refers to its intervention under item 5.B. the European Union remains committed to ongoing discussions on the moratorium. We reiterate our support for extending the moratorium - at least until the next Ministerial Conference.

6.67. The representative of the United States delivered the following statement:

6.68. The United States would like to thank the proponents for bringing this issue forward, we would agree with many Members that believe the moratorium on customs duties on electronic transmissions has supported the rapid growth of digital trade over the past two decades, and we continue to believe that WTO Members should be ready to agree to a permanent moratorium. The Structured Discussions that were held on July 5 only underscored the importance of continuing the moratorium, as both developed and developing countries increase their reliance on digital tools during the pandemic response and recovery. The United States would be happy to engage in further discussions to explore the clear linkages between demands for open-ended policy space and the persistence of the digital divide among those same Members, you cannot insist on one and be surprised by the other.

6.69. The representative of Indonesia delivered the following statement:

6.70. We would like to thank you Chair for convening consultation on this highly important issue as well as for your report under agenda item 5.B following consultations. We would like also to thank India and South Africa for bringing this agenda item. It is unfortunate that while the growth of the digital sector keeps unfolding rapidly while the level of the benefits derived from the utilisation of the sector as well as the comprehension of its impact to various sectors, particularly between developed and developing countries, remain as is. Hence, bearing in mind that the Members have agreed to establish a comprehensive Work Programme to examine all trade related issues arising from the global e-commerce in 1998, we remain convinced that the reinvigoration of the work under this mandate should continue to be carried out. While reiterating our well known and long-standing position on the issue of moratorium of custom duties, we would again reiterate that discussion to clarify the scope, definition and impact of the custom duties would be imperative prior to agreeing to any course of action towards the moratorium.

6.71. The representative of Hong Kong, China delivered the following statement:

6.72. The moratorium on customs duties on electronic transmissions has underpinned a stable, predictable and conducive environment for international e-commerce for more than two decades. Hong Kong, China all along supports making this moratorium permanent, but if we cannot forge a

consensus on this in time by MC12, we believe the moratorium should be extended further until at least the following Ministerial Conference. This decision will be crucial to avoiding unnecessary disruptions to the global e-commerce environment during this critical time under the pandemic, it will also contribute to a speedy post-pandemic global economic recovery.

6.73. The representative of Singapore delivered the following statement:

6.74. Singapore's position on the moratorium on customs duties on electronic transmission has been made abundantly clear in the past General Council meetings. Singapore strongly supports the renewal of the moratorium on customs duties on electronic transmissions. This has been Singapore's long-standing and consistent position. One, e-Commerce has been an important driver in supporting post-pandemic recovery. Adding barriers to digital trade at this point will inevitably send the wrong signal to the international business community, who have moved online during this difficult period. Two, some Members have raised concerns over revenue implications. However, an earlier OECD study (Electronic Transmissions and international trade – shedding new light on the moratorium debate, OECD, 2019) has clearly shown that the potential revenue losses are small, compared to the significantly more substantial economic costs that will be incurred if the moratorium were to lapse. Three, this will be an important outcome for the WTO to prove its relevance and demonstrate that we are not anachronistic. Many industry representatives, both large and small, have clearly registered the importance of this moratorium during the Public Forum.

6.75. The representative of Bangladesh delivered the following statement:

6.76. Thanks to India and South Africa for putting this item on agenda and for taking the initiative to bring this issue. My delegation acknowledges that the 1998 Work Programme on Electronic Commerce (WT/L/274) is still relevant. To avoid repetition, I refer to my delegation's statement delivered at the GC meeting in March 2021. Bangladesh once again expresses readiness to engage in constructive discussion with Members.

6.77. The representative of Mongolia delivered the following statement:

6.78. Thank you, India and South Africa, for bringing that agenda item. It is important for the developing countries now, after two decades of the discussion to renew that decision, and many experts saying that the recovery of the pandemic will be led by e-commerce and also digital. That is important for the developing countries and, therefore, now at MC12 is the right place and the right time after two decades seriously discussing to come to consensus on the issue.

6.79. The representative of Israel delivered the following statement:

6.80. Israel takes note of the concerns that have been voiced here today regarding the moratorium on e-commerce and we have full respect to the different views. Having said that, it is our view that the moratorium on e-commerce should be extended, this has been Israel's long-standing position on this issue. We believe that the recent developments in the global trading system in the light of the COVID-19 pandemic proved how important e-commerce is for the continuation and smooth flow of international trade, for the benefit of businesses and consumers alike. Therefore, we are of the view that the extension of the moratorium is necessary so as to ensure certainty and stability in the global trading system.

6.81. The representative of India delivered the following statement:

6.82. India thanks the Chair for keeping this Work Programme discussion on the agenda and also engaging bilaterally for consultation on 20 September. We would like to reiterate that the world is still fully grasping the impact of digital technologies becoming widespread. India has been a proponent of strengthening our multilateral work under the non-negotiating and the exploratory 1998 Work Programme on E-commerce.

6.83. Under this multilateral Work Programme and with the intention of understanding the implications of the moratorium on customs duties on electronic transmissions, India along with South Africa has been introducing submissions in various WTO forums, which explain our understanding of the scope and impact of the moratorium. We have been seeking clarity on the scope of the moratorium, without which it is difficult for us to advise our political leadership on the issue.

6.84. The moratorium has substantial impact both in terms of revenue and policy space and the ability to support industrialization, where bulk of the brunt is borne by developing countries, while the benefit largely goes to a few Members, a few developed countries. There have been suggestions to substitute tariffs by non-discriminatory internal taxes. But these suggestions do not address the associated concerns, as the two are not exact substitutes of each other. The latter option also does not address the issue of erosion of policy space and ability to support domestic industrialization. Evidence of last 1-2 years show that growth in this sector is not independent on moratorium.

6.85. It is incumbent upon the proponents of the moratorium extension to establish a clear and direct link providing evidence that the moratorium on customs duties on electronic transmissions has had a substantive positive impact on the development of e-commerce around the world. We advocate an evidence-based, data-backed decision on this subject. This will also help us understand how the growth of this sector depends on the extension of the moratorium and how will it be affected if the moratorium is not renewed.

6.86. Let us recollect that in December 2019, we had joined the consensus for six months extension of the moratorium, with an understanding that the Work Programme on Electronic Commerce would be reinvigorated. The intent was to clearly understand the scope of the moratorium and for the Work Programme to underscore the impact of the moratorium on Members' policy space and revenues. However, due to the ongoing pandemic situation, the moratorium has lasted up until the Twelfth Ministerial Conference, but unfortunately despite the availability of time, we have not seen much progress in discussions on the Work Programme on Electronic Commerce. This is an unfortunate delay, one that the world can no longer afford given how the digital world is rapidly evolving. We reiterate our ask made in the previous General Council meeting that we need a clear understanding on the scope of the moratorium and an informed, data-led, evidence-backed decision on the extension or otherwise on the moratorium in the upcoming Ministerial Conference.

6.87. We firmly and categorically emphasize the importance of multilateralism in a world that faces volatility, uncertainty, complexity and ambiguity. The WTO has a unique opportunity to make a contribution towards an inclusive and development-oriented approach to electronic commerce rather than letting a few Members drive outcomes which may be prejudicial to the global interests. In this context, India along with South Africa has also circulated a paper, document WT/GC/W/812, which seeks this Council to play a central role in discussions on the Work Programme; keep this item under regular review; take up any trade related issue of a cross-cutting nature; and continue structured thematic discussions in the General Council through various platforms.

6.88. Para 1.2 of the Work Programme mandates that this Council plays a central role in the whole process and keep the Work Programme under continuous review through a standing item on its agenda. We accordingly urge you to ensure that the Work Programme is kept as a standing agenda item for the meetings of this Council. We also need to ensure that, as mandate under paragraphs 2 to 5 of the Work Programme, relevant WTO bodies do engage constructively and report to this Council on issues assigned to them under the Work Programme, including on the issue of challenges to and ways of enhancing the participation of developing countries in electronic commerce, in particular as exporters of electronically delivered products; role of improved access to infrastructure and transfer of technology, and of movement of natural persons; use of information technology in the integration of developing countries in the multilateral trading system; implications for developing countries of the possible impact of electronic commerce on the traditional means of distribution of physical goods; and financial implications of electronic commerce for developing countries.

6.89. India remains open and eager to work on the rejuvenation of the Work Programme on E-Commerce and work with all likeminded members to drive a constructive outcome in a space which will fundamentally influence how the world operates in the times to come. We urge all Members to support this Work Programme and come together for joint global good.

6.90. The representative of Australia delivered the following statement:

6.91. I think that the idea that we would, in the middle of the fastest transformation of the global economy online, from this place, send a signal that we are going to frustrate or inhibit the development as our contribution, the WTO's contribution to the response to the pandemic and the growth benefits that are delivered, I think that it would be seen as very odd indeed. As to evidence, I think the onus is on those who seek to change the status quo to deliver evidence as to how that

would be a helpful thing. As to agriculture and tariffs in agriculture, I cannot but agree with my Indian colleague that it is time for change on that too.

6.92. The representative of Chinese Taipei provided the following statement:

6.93. Concerning the Work Programme on Electronic Commerce, we appreciate the General Council Chair's leadership in the consultations. We fully support the continued discussions in the relevant WTO Committees on e-commerce work program in accordance with the December 2019 General Council Decision (document WT/L/1079) to explore various topics and cross-cutting issues. In addition, we are of the view that the current effort at the e-commerce JSI to seek formulating a high standard discipline on e-commerce, is a complementary track to boost digital trade and bridge the digital divide.

6.94. Concerning the E-commerce Moratorium, we would like to stress that the priority at this stage should be to maintain the 22-year-old practice of not imposing customs duties on cross-border electronic transmissions, and that the e-commerce moratorium should include the 'contents' transmitted. From the overall economic perspective, the significant benefit from the moratorium to the SMEs and MSMEs and to the growth of the global ICT sector and digital economy, has been self-evident.

6.95. We agree that Members should continue discussing the "scope, definition and impact of the moratorium on customs duties on electronic transmissions". However, such discussion should not be a condition for Ministers' decision on extending the moratorium. Time will not wait for us to make new rules, especially during the pandemic.

6.96. With less than two months to go before MC12, we support that Members should start working on a Ministerial Decision on the Work Programme on E-commerce, in which Ministers agree to continue and reinvigorate the Work Programme, and to maintain the practice of not imposing customs duties on electronic transmissions.

6.97. The General Council took note of the statements.

7 TRADE RELATED CHALLENGES OF THE LEAST DEVELOPED COUNTRIES AND WAY FORWARD: A DRAFT FOR MC DECISION – COMMUNICATIONS FROM CHAD ON BEHALF OF THE LDC GROUP (WT/GC/W/806/REV.1, WT/GC/W/807)

7.1. The Chair recalled that this item had been included in the agenda at the request of Chad on behalf of the LDC Group and was related to the Communications on "Trade Related Challenges of the Least Developed Countries and Way Forward" in documents WT/GC/W/806/Rev.1 and WT/GC/W/807, which included a proposed Draft Ministerial Conference Decision. He further recalled that this item had been discussed in the December 2020, March, May and July 2021 General Council meetings. Following the LDCs' request, the General Council Chair had facilitated a series of consultations in April and May and had followed up this issue with the LDCs in June, July and September.

7.2. The representative of Bangladesh delivered the following statement:

7.3. My delegation aligns with the statement that will be delivered by Chad on behalf of the LDC Group. The Draft Decision under consideration has proposed that all support measures available to LDCs in the WTO shall be extended to all LDCs for a period of twelve years after the effective date of graduation from the LDC category. The Draft Decision also provides that developed and developing countries granting unilateral trade preferences to LDCs shall establish procedures for extending preferential market access scheme over a period after LDC graduation.

7.4. We all are aware that LDCs would normally lose access to all trade-related support measures and flexibilities granted to them through the WTO provisions after leaving the group. We all know that graduation overnight will not resolve all their challenges and constraints. Many challenges will persist even after leaving the category and graduated countries will continue to need the special treatment and policy space to overcome those. Given their limited export base, these countries need an extension of LDC-specific preferences for a reasonable period to withstand intense competition in trade. These countries need continuation of flexibilities for some time to adjust to new realities of

their engagements in the trade areas. Moreover, LDCs comprise around 14% of the world population but account for around 2% of the world GDP and less than 1% of world trade. Therefore, extending the special treatments to LDCs for a few more years after graduation will not impact the global trade as such but would greatly benefit LDCs in their sustainable development.

7.5. The UN system recognizes that the supports are needed to be continued for graduated LDCs for smooth transition. The UN General Assembly Resolutions 59/209 of 2004 and 67/221 of 2012, have rightly invited WTO Members to extend LDC specific support measures after graduation to help them navigate through the transition smoothly. The progress report by the UN Secretary-General on IPOA calls for "stepped-up support for the smooth transition of graduating countries." In several other recent reports also, relevant UN bodies recommended extension of the existing support measures to graduating LDCs.

7.6. We are saying that the LDCs are demanding nothing new but requesting to continue the flexibilities already given to them for a few more years to support their smooth transition. We have proposed the transition to be for 12 years but at the same time we have been consistently saying that the duration is notional, and we are ready to consider different duration, provided the transition for graduated LDCs is agreed in principle. We are happy that a total 16 countries are now on the path of graduation. In addition, 10 other countries have met at least one criterion for graduation and many of them are expected to be eligible in the next review in 2024. Evidently, the much-desired graduation from LDC status has taken a momentum. So, it is the high time to look into the challenges of graduating LDCs seriously and support them for sailing through the rough water in the initial years of transition.

7.7. While our submission received considerable support from a wide range of Members, some developed Members have highlighted a number of concerns. The LDC Group has addressed all their concerns in details and answered all their questions on numerous occasions: in formal meetings and informal and bilateral exchanges. The LDC group is grateful for the exchange opportunities with our partners and colleagues during the last few months. We are also grateful to the General Council Chair for his consultation with Members on this specific issue and for the input he sent to us from his consultations, and we have also held a number of informal consultations facilitated by the General Council Chair. We have also reached out to individual delegations and are continuing our outreach to ensure tangible outcomes at MC12. The LDC Group is currently working on all the inputs received so far. The Group is also considering whether an interim arrangement is possible as a practical approach to get an outcome on LDC Graduation at MC12. The LDC Group believes that there should be a set of general fundamental principles that would apply to any future package of support measures and the benefits shall apply automatically and equally to all LDCs after their graduation for a uniform period of time.

7.8. The Group has recently circulated the revised version of the fact sheet on LDC Graduation (WT/GC/W/806/Rev.1) updating the information after the most recent triennial review of the LDCs by the UN CDP in February 2021. We hope the document will help Members better understand the situations and the need for continuation of trade related support measures to LDCs after graduation. Finally, we think that a favourable decision on LDC graduation will be a good deliverable for MC12. It will send a positive signal to the outside world that WTO is willing to extend helping hands to its weakest Members, who are striving to stand on their own feet. This will help boost the image of WTO, which has been suffering from a credibility crisis for some time now.

7.9. The representative of the United States delivered the following statement:

7.10. We would like to thank the LDC Group for their submission and look forward to continued engagement with them as we work to understand this proposal and its potential implications. I can however confirm that our concerns and questions have not yet been addressed. I would refer to earlier statements setting out our concerns regarding the equity and fairness in the proposal. To conclude, this issue is part of a much wider conversation on the necessary special and differential treatment reform and in fact differentiation. That, itself, is part of a larger discussion we have to have on the reform of the negotiating function.

7.11. We are asking ourselves questions: are the right Members eligible for special and differential treatment at the WTO currently? For those Members that should be eligible for special and differential treatment, is their approach to SDT at the WTO coherent and helpful in advancing their long-term

sustainable development? These are just a few of the questions that we have. We see this as an important conversation but not one that we can finish by MC12. We think there is a need and an opportunity for pragmatic thinking, and we intend to contribute some of our own. We look forward to continued engagement with the proponents and, as we mentioned, a larger set of Members who would be negatively affected by this proposal as part of a broader, longer term conversation on reform of SDT and differentiation post-MC12.

7.12. The representative of Nepal delivered the following statement:

7.13. My delegation wishes to align with the statement delivered by Chad on behalf of the LDC Group, and would like to add some points: I wish to refer to the statements delivered by my delegation since last December and reiterate all the justifications and arguments shared earlier to be considered. Enhanced productive capacity and export competitiveness remain critical pillars for the overall socio-economic development of a country. Export has a further role to play in contributing to sustainable graduation and achievement of SDGs 2030 in a timely manner as per the global targets.

7.14. However, the COVID-19 pandemic impacted LDCs severely, causing multiple challenges in their development endeavours including in graduating ones. Sustainable graduation requires continuation of LDC-specific support for certain years after graduation. This is well-reflected in the submission of the LDC Group. Extending the existing support measures for few more years after graduation is not a matter of mercy but a matter of global partnership for achieving the global targets of LDC graduation and achieving SDGs 2030 in a timely and sustainable manner. In addition, it would also be helpful in combatting the COVID-19 challenges.

7.15. Ensuring a smooth transition has been well-accepted globally, and we urge the WTO membership to positively consider the proposal to ensure smooth transition. This is not any new or additional support graduating LDCs are seeking for but just continuation of flexibilities already given to LDCs for a few more years, merely for their smooth transition to graduation. It is an important aspect of global cooperation and collaboration and is, therefore, incumbent upon the international community to support this vulnerable group of economies.

7.16. The representative of Mauritius, on behalf of the African Group, delivered the following statement:

7.17. Least developed countries represent a sizeable part of the African Group Membership. We remain very sensitive to their concerns and issues. We therefore call on the WTO Membership to pay critical attention to the challenges faced by these countries that have agreed to comply by WTO rules and which struggle, and continue to struggle, to emerge from poverty. The pandemic has had a special impact on them. We believe there is a need to look at their situation with greater flexibility. We therefore encourage the continuation of constructive discussions on the issues they have raised so that, by December, we may have a decision that provides for a smooth transition process for LDCs and that could also extend to LDC-specific provisions or technical assistance for a certain period of time post-graduation.

7.18. The representative of the European Union delivered the following statement:

7.19. The European Union would like to thank the Least Developed Countries (LDC) Group for its submission. We have been and will continue engaging on the matter. The European Union is mindful of the challenges that LDCs face in integrating in the global trading system. We believe that there should be support and flexibilities for WTO Members, commensurate with their needs and capacity constraints, beyond the group of LDCs.

7.20. The European Union's support for LDCs is well established, for countries that have recently graduated from the LDC status, as well as other developing countries. For example, in the European Union General Scheme of Preferences (GSP), there are transition periods provided for the benefit of developing countries, particularly for recently graduated LDCs and other countries most in need. The European Union has also launched a series of trade agreements with developing countries in Africa, including Economic Partnership Agreements which provide very significant preferences. And we also engage bilaterally with LDCs with a view to graduation to be able to best support the country during and after their graduation process.

7.21. In the area of trade specifically, the aim of the European Union is to focus on how to facilitate and enhance the capacity of countries to assume commitments that foster integration in the global economy. In our view that is the best way for the WTO to effectively contribute to sustainable development.

7.22. We are committed to continue our engagement. That said, this proposal raises a number of complex and substantive issues. It is unsure the Membership will be able to finalise our discussions by MC12. But it is important for this discussion to continue so that we can understand what the needs of the LDC Group are, what their objectives are and how to best address their request.

7.23. The representative of South Africa delivered the following statement:

7.24. We associate ourselves with the statement by the Africa Group and by Jamaica on behalf of the ACP. We take the floor to thank the LDC Group for its submission and its continued efforts towards a meaningful outcome and recall our previous statements on this issue. An estimated 1.06 billion people live in the world's 47 LDCs and by 2030 over 15% of humanity will be living in them. Despite their large demographic weight, LDCs account for less than 1.5% of global GDP. At this time of heightened uncertainty, LDCs need special development support more than ever.

7.25. Based on the LDC Group's well formulated analysis, South Africa reiterates its support for the submission in document WT/GC/W/807 and looks forward to constructive discussions towards a decision at MC12 that will ensure continued support to LDCs after graduation. It's important for the multilateral trading system to deliver on issues of interest, especially to vulnerable Members.

7.26. The representative of the United Kingdom delivered the following statement:

7.27. The United Kingdom remains alive to the challenges Least Developed Countries face to their graduation efforts and remains committed to working with LDCs to ensure they have the tools necessary to integrate into the rules-based international trading system. The United Kingdom believes that graduation from LDC status is a positive development and that further integration into the multilateral trading system through taking on increasing commitments helps developing countries improve their domestic economies. Like other Members, we would therefore like to see more evidence of why the proposed blanket 12-year period of continued access to LDC provisions is necessary.

7.28. The representative of Japan delivered the following statement:

7.29. Japan believes that SDT is crucial for LDCs to participate in the multilateral trading system and that SDT and this extension measure should be granted to those Members who actually need it on an as-needed basis. Japan will continue to engage in further discussion toward a consensus.

7.30. The representative of Vanuatu, on behalf of the Pacific Group, delivered the following statement:

7.31. I take the floor on behalf of the Pacific Group to thank the LDC Group for the draft Ministerial Decision to support the smooth transition of graduating LDC Members. We also associate ourselves with the statement to be made by the ACP. Apart from the loss of trade preferences and Aid for Trade support after graduation, LDCs face ongoing challenges from climate change as well as from frequent and severe natural disasters that undermine their development efforts. The Pacific Group reiterates its support for this draft decision as it will provide greater certainty and predictability for LDC Members through the continuation of market access and Aid for Trade support for twelve years after graduation. This is necessary to facilitate the smooth and successful transition to integrate into the multilateral trading system. We therefore encourage Members to support the draft decision.

7.32. The representative of India delivered the following statement:

7.33. We thank Chad and the LDC Group for their proposals contained in document WT/GC/W/807. India has unequivocally supported the request by the LDC Group contained in document WT/GC/W/807, for the reasonable duration, as decided by Members by consensus. India remains a strong supporter of LDC's integration into the multilateral trading system. India has not only contributed to efforts to increase their share in global trade, but has also been a trusted and reliable

partner. The pandemic has unleashed havoc globally, however the LDCs have been the worst hit by the pandemic and it has disproportionately impacted their economies. Therefore, they require more time to address the severe developmental, technological and health challenges facing them. India urges Members to engage constructively and expeditiously for an outcome at MC12.

7.34. The representative of Jamaica, on behalf of the ACP Group, delivered the following statement:

7.35. The ACP Group continues to pledge its full support for this important submission on behalf of the LDC Group. We commend the approach which is being taken to further the interests of LDCs and graduated LDCs within the WTO and in the global trading system, especially in light of the impact of the COVID-19 pandemic which will have a lasting impact on these Members. The Group continues to believe that graduation is never automatically accompanied by favourable conditions that warrant immediate relinquishing of LDC flexibilities. A transition period is of the utmost importance for graduating LDCs, and we believe that the proposed transition period in the submission is reasonable to allow these Members to face the significant trade and development challenges post-graduation. As a group of developing countries and LDCs we can relate to the vulnerabilities of this Group which the COVID-19 pandemic has exposed and exacerbated. The Group will look forward to further productive engagement on the matter in order to support LDCs, including graduated LDCs, in their development aspirations and their efforts to integrate into the multilateral trading system. MC12 can make this happen.

7.36. The representative of China delivered the following statement:

7.37. I would like to thank the LDC Group for their renewed fact sheet on LDC graduation. The discussions we have today are taking place at a critical time, when the pandemic has caused more severe challenges to graduating LDCs than before. China therefore calls for Members' collective, constructive and open-minded engagement in the discussions. China is willing to work with all Members to find a landing zone or a way forward.

7.38. The representative of Senegal delivered the following statement:

7.39. Senegal endorses the statement made on behalf of the African Group. The graduation of a country from the LDC status is an important step in the process of its development. It indicates the economic and social progress made by a country over recent years. However, the challenges that LDCs face after graduation lead to the brutal loss of benefits through certain international support measures such as reinforced technical assistance, preferential market access and special and differential treatment come about once they graduate. Therefore, to not compromise the progress made by graduating LDCs, a transition process is necessary. This is why we support the processes put forward by Chad, the LDC Group coordinator. We hope that trade-related support measures can be continued for twelve years following graduation from LDC status.

7.40. The representative of Nigeria delivered the following statement:

7.41. We align ourselves with the statement by Mauritius on behalf of the African Group and by Jamaica on behalf of the ACP. We thank the LDC Group for their proposal and we wish to reaffirm our support for that proposal. We urge all Members to do the same in view of the trade related challenges being faced by LDCs and for them to continue to benefit from the multilateral trading system.

7.42. The representative of Turkey delivered the following statement:

7.43. We would like to reiterate our support to the idea that a smooth transition is necessary for the LDCs after graduation. This is especially crucial given the effects of the current pandemic. We should make graduation a case for celebration rather than a source of concern. For that, we need to work on the details of this proposal.

7.44. We have noted at previous meetings some important questions from members. Turkey believes that the LDC Group can move forward this proposal once comprehensive responses to these questions are provided. We sincerely hope that discussions on this proposal can go further and achieve results. We do also hope that trade can continue to assist LDCs in their development and integration to the world economy.

7.45. The representative of Chad, on behalf of the LDC Group, delivered the following statement:

7.46. In light of time limitations, and as all other speakers have already taken the floor on this matter, I would simply like to warmly thank all Members who weighed in on this matter. I wish to thank you for supporting our proposal. Rest assured that we stand ready to continue our reflexion on how to best provide responses to those Members who clearly stated their concerns, which I fully understand. As always, we stand ready to continue our discussion with you, and we hope to be able to reach consensus on this matter; that is our aim, what we are working towards. I think we need all Members' support and understanding in order to ensure that we truly reach consensus in these discussions.

7.47. The Director-General provided the following statement:

7.48. The words of the Ambassador from Chad have really inspired me to say something. This is one of those areas where I would really urge Members to have a constructive approach. Graduation is not a new thing, it is normal in almost every institution that one knows about. In fact, there are some standard periods in many organisations, but of course this is different. We are talking of LDCs in the trading environment. As many have said, they have been hard-hit by the pandemic. Nevertheless, I think we should also look at good practices elsewhere and have a reasonable and constructive dialogue on this. This is one of those areas where, I think, we should not have a long-drawn-out debate. Surely, there are reasonable compromises that can be made on this issue. I am very encouraged by what the Ambassador from Chad said about the willingness to answer questions to be constructive to search for a middle ground. I would really like to urge that. This would be a good thing to accomplish if all come to a very sensible landing zone.

7.49. The General Council took note of the statements.

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

8.1. The Chair recalled that this item had been included in the agenda of the General Council for the third time, at the request of Brazil, together with the communication in document WT/GC/W/815.

8.2. The representative of Brazil delivered the following statement:

8.3. The FAO has estimated that 34% of fish stocks worldwide were overfished in 2020. And, each year, governments spend an estimated 22 billion dollars on capacity-enhancing subsidies that artificially lower fishing costs. Consequently, the percentage of fish stocks within biologically sustainable levels has been dropping continuously. This deterioration has a serious impact on the livelihoods of millions of people who depend on fishing resources. That is why we must have a sense of urgency and start real negotiations that can lead us to conclude an agreement with the highest component of sustainability.

8.4. Reaching an agreement would show that the WTO can deal with pressing current issues - such as the intersection between trade and sustainability. If we are not able to reach an agreement by MC12, we need to be realistic about the prospects of this dossier at the WTO. It will send a negative message about our collective will to deal with the new realities of trade. We will, also, have to explain why we couldn't come up with an agreement after 20 years of negotiations. We look forward to working constructively with Members on this matter.

8.5. The representative of the Philippines delivered the following statement:

8.6. The Philippines welcomes Brazil's proposal for Members to commit to delivering on environmental sustainability in concluding the multilateral agreement on fisheries subsidies negotiations, for the benefit of the ocean and fishing communities. This is consistent with the main objective of fisheries sustainability under SDG 14.6, with the 15 July Ministerial guidance and directive, as well as with the recent call of no less than UN Secretary General António Guterres to push for an agreement at the WTO to end harmful fisheries subsidies before the end of the year.

8.7. We further highlight the need to recognize that appropriate and effective special and differential treatment for developing and least developed countries should be an integral part of the negotiations.

8.8. The representative of Mauritius, on behalf of the African Group, delivered the following statement:

8.9. We would like to thank the delegation of Brazil once again for circulating document WT/GC/W/815. The African Group reiterates its statement made at the last General Council and once again would like to express its commitment to the conclusion of a balanced outcome on fisheries subsidies in the direction of sustainability. This being said, the African Group remains deeply attached to the issue of sustainability as a central pillar of the fisheries negotiations.

8.10. A suggestion in the direction that Mauritius would like to make is that we consider having a review of the Agreement after a certain number of years to look at whether the response or the expectations that we had of eliminating harmful subsidies takes place. Once we have concluded the Agreement, I think it will not be right for us just to go away and forget about it. It might be useful a number of years after that to take that sustainability test to see whether we have actually achieved in having fish stocks restored and if not, then what further measures are required on our part.

8.11. The representative of Malaysia delivered the following statement:

8.12. We echo the same aspiration in fulfilling the mandates, in reaching a meaningful agreement that would curb harmful fisheries subsidies that deplete our global maritime fish stocks, while advocating the importance of environmental sustainability. We would also like to thank Ambassador Santiago Wills for conscientiously moderating numerous engagements in various settings. This is a pertinent step in advancing the negotiations, while we strive to narrow the gap between Members in reaching the common goal as we envisioned.

8.13. Malaysia has continuously reiterated our commitment to conclude the negotiations as soon as possible, and to a certain extent, be flexible in reaching middle ground. From what we have observed in these recent months, there has been a significant divergence among Members' positions in various issues. We are of the view that the direction of the negotiations remained ambivalent, mainly in the areas where we have ascertained our concerns, particularly on the inclusion of non-specific fuel subsidies, imbalanced and limited scope of SDT, as well as the burdensome transparency mechanism.

8.14. Nevertheless, we are optimistic and look forward to a substantially improved consolidated draft text that will address these pertinent concerns, and embed the importance of positioning fisheries in the context of food security and national economy, especially for the developing and least-developed Members. We also appreciate the textual proposals by Members in the recent meetings, where some of these proposals contain merits in finding convergence among Members.

8.15. As we have underscored at the previous General Council meeting, the outcome of this negotiations must preserve the WTO principles of non-discriminatory trade, predictability and transparency, fair competition, and encouraging development and economic reform. Malaysia remains committed towards fulfilling the mandate to expeditiously achieve a meaningful agreement on fisheries subsidies.

8.16. The representative of Chad, on behalf of the LDC Group, delivered the following statement:

8.17. Chad would like to thank Brazil for this proposal. The LDC Group is in favour of a positive outcome for our fisheries negotiations. We hope to see a balanced and fair outcome, one which prohibits harmful fisheries subsidies while including of course the necessary flexibilities to ensure that LDCs can develop their fishing activities. To conclude, I would like to note that fisheries is amongst our key priorities alongside the other ones we have mentioned earlier. Fisheries negotiations are of great concern for the LDC Group.

8.18. The representative of Jamaica, on behalf the ACP Group, delivered the following statement:

8.19. The ACP Group wishes to recall its previous statements on this agenda item. The Group prioritizes the sustainability of our oceans. We believe that an outcome on fisheries subsidies should be an effective tool in the global fight against IUU fishing and global fish stocks depletion. As WTO Members, we trust in the WTO Membership to always be mindful, but the WTO's competence in this area is limited to subsidies and, to the extent possible, to collaboration with other international organizations that have mandates in oceans and fisheries management. Our focus and priority should be to conclude the negotiations through the NGR process.

8.20. We also want to remind Members that we do already have a Ministerial Mandate which we believe is sufficient to guide the work in the negotiations. Our Ministerial Mandate is also in line with SDG 14.6 as agreed by heads of states and governments. The Group also reaffirms its commitments to the implementation of SDG 14.6 and the MC11 mandate. We believe that the focus of our engagement should be on major subsidizers and large-scale industrial fishing, we must ensure that the outcome provides adequate policy space for developing countries and LDCs to develop their fisheries sector that will go beyond transition periods and technical assistance and capacity building. We also wish to reemphasize that an outcome must ensure that the sovereign rights of Members are respected, national judicial processes are accepted, implementation is not more burdensome than the necessary to achieve our sustainability objectives, the provisions remain within the competence of the WTO and there is policy space for small scale and artisanal fishing. We are fully committed to concluding the negotiations by MC12 and our engagement in the NGR is reflective of this goal, for this to happen, flexibility and compromise from all parties are key ingredients to getting this done.

8.21. The representative of Ukraine delivered the following statement:

8.22. Ukraine would like to thank Brazil for preparing a draft Ministerial Decision on the importance of concluding fisheries subsidies. We also have to extend our appreciation to Ambassador Santiago Wills for his enormous efforts and active role during the consultation process. Ukraine reaffirms its commitment to conclude negotiations on fisheries subsidies as soon as possible in order to preserve the world's fish stocks, ensure food security and the well-being of coastal communities. Ukraine expresses its readiness to cooperate constructively in order to finalize the text on fisheries subsidies.

8.23. The representative of the Russian Federation delivered the following statement:

8.24. We thank again Brazil for attracting our collective attention to the draft Ministerial Decision on fisheries subsidies negotiations. Of course, we share the endeavour of the proponents to reach a meaningful outcome by the 12th Ministerial Conference. However, we think that our substantial engagement on this matter should be continued within the Negotiating Group on Rules. Having said that, we would like to remind that Members are yet to resolve fundamental substantial differences. As we stated at the TNC meeting, we need to concentrate on developing clear, targeted and implementable disciplines rather than promoting over-abundantly far-reaching and ambiguous prohibitions, which necessitate a whole box of exemptions. And we call upon some Members to abandon attempts to use these negotiations as a means to promote their political agenda. We must embrace a multilateral mindset and work together in a consensus-seeking spirit on the road to MC12.

8.25. The representative of Vanuatu, on behalf of the Pacific Group, delivered the following statement:

8.26. We reiterate the statement made in the last General Council meeting. We recognize the urgency to complete this negotiation, which is a top priority for the Pacific Group. We are engaging actively and constructively to conclude the negotiations by the end of October as set out in the NGR Chair's work plan. The Pacific Group is committed to delivering a meaningful outcome on fisheries subsidies at MC12, this agreement must focus on discerning harmful subsidies and not fisheries management, it must also provide policy space for small developing countries and especially small island developing states that have little to no fishing cap in the present, provide livelihood securities through exceptions of small scale and artisanal sector and should not undermine Members' rights under UNCLOS to offer access to fishing in the EEZ on terms they decide.

8.27. The representative of South Africa delivered the following statement:

8.28. South Africa aligns itself with the interventions made on behalf of the African Group and ACP. We would like to thank Brazil for their submission as entailed in document WT/GC/W/815. As stated previously, we are guided by the Ministerial mandates, including of MC11, as well as SDG 14.6 in the Fisheries negotiations. The proposed Draft Ministerial Declaration does not seem appropriately aligned to all the aspects of the mandate. In particular, it does not make reference to SDT, which is a critical element of the mandate. We continue to hold the view that the principle of common but differentiated responsibility should underpin the negotiations.

8.29. We are engaging constructively in the Fisheries negotiations with the view to address the imbalances in the Chairs text. In our view, the incorporation of elements provided in the recent joint proposal by the African Group and the ACP Group would go a long way in this regard and would set a good basis for the negotiations. We will reflect on Mauritius' proposal for a review clause.

8.30. The representative of Nigeria delivered the following statement:

8.31. We associate ourselves with the statement by Mauritius on behalf of the African Group and Jamaica on behalf of the ACP. This is an Agreement that is overdue to be concluded after 20 years. In recent times so much has been discussed, so much has been done, but still some divergencies exist. We have spoken in several meetings with total commitment that we need to see the fisheries subsidies concluded as soon as possible. We must as Members do our best to show more flexibility with the view to address the remaining gaps so that this Agreement would be one of the major outcomes of the MC12, to serve the integrity of the Organization and to put these long-standing discussions on fisheries subsidies in the past.

8.32. The representative of Bangladesh delivered the following statement:

8.33. The fisheries subsidies discussion is important for us, particularly for the LDCs located at coastal areas and islands. It is related to our development priorities, poverty reduction, livelihoods and food security concerns. We must be able to conclude the negotiation securing adequate SDT provisions and other policy space for developing countries, particularly for the LDCs. My delegation thanks the delegation of Brazil for this Draft Ministerial Decision contained in document WT/GC/W/815 and their statement made today. On this issue, my delegation reiterates that bringing any new mandate at this point of discussion may make the situation complex. Concluding the fisheries negotiation at the WTO is our long pending collective responsibility that we must carry out before MC-12. On this issue, Bangladesh is ready to constructively engage with Members.

8.34. The representative of Ecuador delivered the following statement:

8.35. We thank Brazil and take note of this as well as of the statement made this morning. My country has been calling for a fisheries subsidies agreement which helps to protect our oceans' sustainability and ensure food security and livelihoods for thousands of people. We welcome the efforts and dynamic approach championed by the DG helping us to reach an Agreement by MC12. We appreciate your commitment and your energy is contagious. We will continue to strive for a significant agreement, bearing in mind the views of all states ensuring that we have generalized standards based on clear objective disciplines, bearing in mind the special responsibilities of subsidized industrial fishing and the needs of small scale and artisanal fishers. We also would like to see SDT that is in line with the protection and sustainability aims. The Director-General's letter recently sent, came at the best possible time. Bearing this in mind, we will continue to support the work of Ambassador Santiago Wills as he Chairs this negotiating group.

8.36. The representative of the United States delivered the following statement:

8.37. The United States remains committed to working with Members to achieve a meaningful outcome by MC12 that protects our oceans and supports our fishers and workers. We would highlight our efforts to ensure that an agreement on fisheries subsidies contributes to Members' efforts to highlight and address the use of forced labour on fishing vessels. Our targeted approach, with a focus on the disciplines that are already under negotiation, is an important way the agreement can positively impact our fishers and workers.

8.38. The United States stands ready to work with Members to find solutions on other key issues, like special and differential treatment, but all Members need to be serious about finding such solutions. We will reflect on the suggestion made earlier by Mauritius, but we do know that it does assume that we can reach an agreement that actually covers a respectable number of Members and actually changes the status quo and that remains elusive to this date. We are concerned that some recent discussions and certain proposals have served to move our work in the wrong direction in terms of getting closer to a meaningful outcome. For example, a blanket approach to special and differential treatment with permanent carveouts is neither appropriate nor effective given the purpose of this agreement. It also does not reflect the reality that some self-declared developing country Members are among the largest producers and subsidizers. We have an opportunity to produce an agreement that can make a serious and credible contribution to ending harmful fisheries subsidies. We have limited time before MC12, and all Members must make and support improvements to the text if we are to reach a meaningful outcome.

8.39. The representative of India delivered the following statement:

8.40. We thank Brazil for its communication regarding the draft Ministerial decision on supporting the conclusion of fisheries subsidies negotiations for the sustainability of the ocean and fishing communities, contained in document WT/GC/W/815. India wishes to recall its earlier statements on this item.

8.41. India remains fully committed to the negotiations on fisheries subsidies as provided under SDG 14.6 and MC11 mandates. Let me reiterate once more that effective and appropriate SDT is an integral part of these negotiations. This must ensure the developmental and future policy space needs of countries with negligible industrial fishing fleet and LDCs, so as to develop their fisheries sector and to provide equitable opportunities to harness fisheries resources in all geographic zones, including in high seas. This SDT will be in line with the objectives mentioned in the preamble to the Marrakesh Agreement, which recognizes a need for positive efforts designed to ensure that developing countries, especially the least developed among them, secure a share in the field of trade and economic endeavour with a view to raising standards of living with their respective needs and concerns at different levels of economic development.

8.42. In the TNC meeting held on 15 July 2021, many Members raised concerns regarding the imbalance in the draft text and suggested the way out to bring balance by incorporating the principle of 'polluter pays' and 'common but differentiated responsibility' in formulating the disciplines. To have a balanced outcome, India has submitted a comprehensive proposal in document RD/TN/RL/147 on Article 5 of the draft text, keeping in view the demands of developing countries and LDCs on SDT for future policy space, to diversify and develop the fishing sector sustainably, especially in the high seas, where many of these countries generally lack presence. Further, there is a need for SDT in the form of carve-outs for low income, resource-poor and livelihood fishing or fishing related activities up to coastal Members' EEZ (200 nautical miles).

8.43. The sustainability of the ocean's marine resources is at the core of the disciplines being negotiated and it's a shared responsibility for all. Keeping in line with this understating, India in document RD/TN/RL/147 has suggested moratorium of 25 years on the subsidies provided by the distant water fishing nations for fishing or fishing-related activities beyond their Exclusive Economic Zone, as this type of fishing is the most harmful and cannot be continued without huge subsidies, either for construction of large industrial vessels or allowing these vessels with subsidised fuel to exploit the high seas and waters of other countries. We believe this prohibition will be the real step towards sustainability, which is the main objective of the ongoing negotiations.

8.44. To conclude, let me assure you that India is fully committed to having disciplines on harmful fisheries subsidies by MC12 if the demands of developing countries having negligible industrial fishing fleet, and LDCs, on SDT, for future policy space to diversify and develop the fishing sector sustainably, including in the high seas.

8.45. The representative of Pakistan delivered the following statement:

8.46. We wish to recall and echo our previous statements under this item. As pointed out by many, we are hopeful of a conclusion of the ongoing fisheries negotiations. We thank Brazil for this proposal and draft Ministerial Decision. Fisheries subsidies are one of the most important elements of WTO

negotiations, carried over from the Doha Agenda. The proposal itself is difficult to comprehend on several counts. For instance, how would this Draft Ministerial Decision relate to a positive conclusion of the negotiations at MC12 under the NGR? At the same time, while affirming commitment to SDG 14.6, the Draft Decision appears to reduce the mandate to only a higher standard of environmental sustainability. Environmental sustainability is an important objective, we must address all aspects of sustainable development to make it truly meaningful and understand sustainability in its true sense, with the principle of common but differentiated responsibilities, i.e. to curtail actually harmful subsidies of largescale industrial, fishing activities and provide policy space for developing countries, particularly their small scale artisanal fishing activities. The Draft Decision also does not mention this most crucial aspect of special and differential treatment, which is the core of SDG 14.6. Pakistan looks forward to a balanced and meaningful outcome at MC12 on fisheries, which delivers on our complete Ministerial mandate and that of SDG 14.6.

8.47. The representative of Chile delivered the following statement:

8.48. We had not stated our position on this proposal, the objective of which we certainly support. We preferred to have this discussion in the negotiating group. However, we have noticed that we are losing sight of sustainability in these negotiations. It would seem that we do not all agree with the premise that no one wants subsidies for unsustainable fishing. The outcome we achieve would have to pass the sustainability "test", taking into account all the provisions of the agreement, including the flexibilities so sought after by major subsidizers, such as special and differential treatment.

8.49. The representative of Indonesia delivered the following statement:

8.50. We would like to stress and confirm our commitment in concluding the fisheries subsidies negotiations to finally deliver on our 14.6 SDG mandate. At this juncture, my delegation believes that our focus should be placed to negotiate the draft text discipline. We believe that there are many aspects of this proposal that need to be looked at and negotiated to reflect divergent points of views concerning the discipline. We believe that fisheries subsidies is beyond sustainability issues and as it has been mentioned by many it is also about SDT, an integral part of the mandate. Hence, it is about the livelihood of people especially of small scale and artisanal fishermen. Therefore, we believe that signalling out one specific issues in the draft will not reflect the real discussion of the discipline. We are concerned that if we try to discuss this proposal at this point of time it could decelerate our negotiation process.

8.51. The representative of Chinese Taipei delivered the following statement:

8.52. We have observed many positive interactive textual discussions in the past weeks which help minimize the gaps under the leadership of Ambassador Wills. We trust that our Chair of fisheries subsidies negotiation will come up with needed approach to tackle the most difficult parts and to lead us toward a successful outcome in fisheries subsidies negotiation, which is agreed upon by all Members as the indispensable part of MC12. If we can successfully reach a final conclusion of a multilateral agreement on fisheries subsidies, we will not need to have this proposed Ministerial Decision adopted any more.

8.53. We also thank Mauritius who just made a suggestion on including some 'review mechanism' to resolve the difficulties that we are encountering now. In previous discussions, including at the HoDs discussion on Articles 5.1.1 and 5.5 on 14 September this year, I made statements in relation to SDT, saying that any exemption is not to create any enduring and long-lasting negative impact on fisheries sustainability, and that if we decide not to set a time limit for Article 5.5 (b) in ALT 2, it might be desirable to have a periodic review mechanism, not for reviewing the fulfilment of obligations, but for the purpose of observing or monitoring the situation of relevant fish stocks and to send signal to the subsidizing Members to urge them to address the deteriorating situation.

8.54. Mauritius' suggestion of a review mechanism might be broader than our suggestion, so as to apply to other provisions to periodically review their operation to prevent any enduring and long-lasting negative impact on fisheries sustainability arising from any provision of this agreement. I believe Mauritius' suggestion deserves more in-depth discussions and consideration.

8.55. The representative of the European Union delivered the following statement:

8.56. The European Union fully supports an outcome that is ambitious and ensures sustainability. This negotiation is about the sustainability of fish stocks. The mandate does include special and differential treatment (SDT). But SDT is not an objective per se. SDT is aimed to facilitate the implementation of disciplines, namely: to achieve the sustainability of fish stocks. SDT is not envisaged as a way to build a fisheries sector on the basis of harmful subsidies.

8.57. The European Union thanks the Chair of the Rules Negotiating Group for his efforts to steer us to concrete and positive outcomes. We all have responsibilities to ensure that harmful subsidies are discontinued and that fisheries continue to provide food and jobs for current and future generations. This negotiation cannot be about 'common but no responsibilities for many'. We have to do all we can to come up with a meaningful outcome for MC12. It would be very negative for the reputation of this Organisation if we failed to meet the deadline that all Heads of State have asked us to deliver.

8.58. The representative of Japan provided the following statement:

8.59. Japan understands Brazil's idea of the Ministerial Decision for encouraging Members to get an agreement in a timely manner. However, it is clear that all Members are cognizant of urgency of our work. We should put all our time and energy in the text-based negotiation at a Head of Delegation level under the leadership of the Chair, Ambassador Wills, rather than working on this Draft Ministerial Decision. We hope that our intensive work based on the text can help us conclude this negotiation as soon as possible prior to MC12.

8.60. The General Council took note of the statements.

9 PROCEDURAL GUIDELINES FOR WTO COUNCILS AND COMMITTEES ADDRESSING TRADE CONCERNS – COMMUNICATION FROM ALBANIA; AUSTRALIA; CANADA; CHINA; EUROPEAN UNION; HONG KONG, CHINA; ICELAND; REPUBLIC OF KOREA; REPUBLIC OF MOLDOVA; NEW ZEALAND; NORTH MACEDONIA; NORWAY; PANAMA; QATAR; SINGAPORE; SWITZERLAND; THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU; THAILAND; TURKEY; AND UKRAINE (WT/GC/W/777/REV.6)

9.1. The Chair recalled that this item had been included in the agenda of the General Council for the tenth time, at the request of the European Union, together with the revised proposal in WT/GC/W/777/Rev.6.

9.2. The representative of the European Union delivered the following statement:

9.3. On behalf of all co-sponsors, the European Union would like to provide an update about our work on the proposal for "Procedural Guidelines for WTO Councils and Committees Addressing Trade Concerns". This proposal fits into the context of the reform agenda, acknowledging that the WTO's monitoring and deliberative function is in need of change, too. To recall, this proposal aims to improve how Members address each other's trade concerns in regular WTO bodies, including meetings arrangements.

9.4. In July, the co-sponsors of the proposal have presented a revision as an honest attempt to take account of Members' comments and concerns. And we thank those Members who have provided their views and hope that Members have had time to review this revised version more in-depth. More efficient meeting arrangements have become a necessity in a time where the pandemic brought fundamental change to the working methods of our Committees. We feel that there is a lot of common ground on the first part of the proposal on meeting arrangements. In fact, some ideas have already been taken up and put into practice.

9.5. In July, several Members expressed their doubts as regards the feasibility of a horizontal approach on how to address trade concerns. The co-sponsors acknowledge the diversity of the WTO Committee system and the importance for each committee to regularly look for improvements and efficiencies in their own procedures and working methods. However, we are also convinced that there are cross-cutting issues that all committees face and where non-binding guidelines could lead to improvements across the board. The proposal does not suggest a 'one size fits all' type of

harmonisation. It rather encourages the establishment of a common platform based on some core principles, as a complement to the specificities of each WTO Committee. However, co-sponsors are open to consider further, how the horizontal approach could be best complemented by a Committee-by-Committee approach. We would welcome Members' views in this regard.

9.6. Some Members raised concerns as regards possible additional burdens. Let me dispel these doubts once again. The aim of the proposal is not to create additional burden. Quite the opposite, it aims at facilitating engagement, for example by providing non-binding guidance on how to handle written questions, while maintaining flexibilities to account of individual circumstances. Likewise, capital-based participation is suggested– not imposed - in possible informal bilateral consultations as a means to go deeper, and maybe better, into the concerns raised. Actually, the combination of Geneva-based and remote engagement has become a day-to-day reality after COVID. Similarly, the database in paragraph 8 aims at facilitating Members' overview of ongoing discussions of trade concerns and thereby decreasing administrative burden.

9.7. Finally, the co-sponsors would like to emphasize that the proposal is voluntary in nature. It does not aim in any way to limit Members' ability to raise trade concerns as they see fit. However, we are open to discuss textual suggestions that provide further reassurance in this respect. The co-sponsors remain committed to advancing this proposal. We are looking forward to stepping up outreach and informal exchanges with Members with a view to finding common ground soon.

9.8. The representative of the United States delivered the following statement:

9.9. We would like to thank the European Union for the introduction. It is something that we have carefully reviewed and we've had a number of constructive discussions about it with the EU and other proponents. To be clear, we share the proponents' objectives – to rebuild the norms for Members to respond to and address the trade concerns raised by other Members. As we have noted previously, these norms have eroded, and I think we share that view with the proponents. We believe the key culprit appears to be some Members' lack of interest and political will to address such concerns. Fundamentally, for us the problem is substantive, not procedural. We also recognize that, in some Committees, the procedures probably can be and should be improved. For example, relevant documents for an agenda item should be shared at the moment that the agenda is circulated, and not after. It is difficult to have a meaningful discussion on a document that was circulated just a few days before a meeting.

9.10. Still, as we reviewed the proposal, we are reminded that WTO committees are quite diverse, and few solutions can be applied horizontally. Procedural changes that may help in one Committee may undermine what is already working in another Committee. For this reason, we continue to have some concerns with the approach coming from the General Council.

9.11. In response to the EU's intervention about the complementarity, we would propose that stepping back does not necessarily mean that Members must be silent at MC12 about this issue. So, taking that complementary bridge that was offered, one suggestion might be that as a first step Ministers at MC12 could direct each Committee or body to review its rules of procedures and undertake appropriate actions with a view to improve its effectiveness. The suggestions in the proposal could be the basis for that discussion and could form the basis of a Ministerial recommendation. We think that such an approach would allow for Committee-specific approaches and build up from the bottom to see where individual Committees may want to make changes to then see, at the end of that process, whether or not we would have horizontal outcomes.

9.12. So, if we could link the two concerns, with the need for some horizontal approach with our desire to have protection for those Committees that do work well, or accommodation for those Committees that do work differently, if we could combine our two approaches in something that could be an MC12 deliverable, I think we would be more than happy to work along those lines.

9.13. The representative of Chad, on behalf of the LDC Group, delivered the following statement:

9.14. Our group supports the idea of the Director-General to create a working group on the reform of the WTO. Our proposal as well as the Declaration of the LDCs, should be included in discussions that will go forward from MC12.

9.15. The representative of Ukraine delivered the following statement:

9.16. We would like to thank European Union for the efforts and we are in favour of keeping this item on the agenda. From Ukraine's perspective, one of the key challenges for the WTO today is to find a way to ensure efficient and needs-based mechanism of dealing with trade concerns. Ukraine welcomes the important objectives outlined in the document. Searching for potential options and possible 'doable' solutions to improve trade concerns practice and strengthen the work of regular bodies, would have a positive impact on the Membership and its stakeholders.

9.17. The representative of Chinese Taipei delivered the following statement:

9.18. We thank the European Union for the updates and clarifications of the proposal. We hope the clarifications have eased the concerns some Members might have. We believe the basic procedural guidelines in the proposal with non-binding and voluntary nature can facilitate and complement each Committee's work. The proposal can be a concrete step to improve the WTO's monitoring and deliberative function, in support of the future reform of the WTO. As one of the co-sponsors of this proposal, we are committed to continuing to explore effective ways to promote the efficiency of WTO's daily work in addressing Members' specific trade concerns.

9.19. We also agree with the United States that, not merely the procedures, but the substance is also the problem, which needs to be addressed in the future. We also agree with the United States that we need to consider different situations of different committees. I trust that under the leadership of the European Union, new inputs will be incorporated into the proposal.

9.20. The representative of South Africa delivered the following statement:

9.21. We thank the European Union for the revised proposal. We wish to recall our previous statements in this submission, including at the last General Council in July 2021. We remain concerned with the horizontal application of this proposal. Addressing specific trade concerns (STCs) is provided for under certain agreements. We believe that it is better to leave this issue to each regular body that will consider it in accordance with its rules and mandate.

9.22. The representative of Bangladesh delivered the following statement:

9.23. The delegation of Bangladesh thanks Chad for statement on behalf of the LDC group. Bangladesh thanks the proponents of this communication and welcomes the constructive ideas in the proposal. We have been discussing this proposal for quite some time. My delegation previously pointed out the concerns on the proposed provision in paragraph 10 of the draft regarding participation of capital-based experts through video conferencing. All LDCs are not in a position and internet connection is still a severe challenge in many of our countries. On this issue, Bangladesh looks forward to engaging constructively with the proponents.

9.24. The representative of India delivered the following statement:

9.25. We have conveyed our concerns on the proposal in the earlier meetings. Our position on this matter remains the same. For the sake of time, we are not repeating this again today.

9.26. The representative of the Republic of Korea delivered the following statement:

9.27. My delegation appreciates the EU's intervention on behalf of co-sponsors. As a way of overseeing the implementation of WTO Agreements, Members continue to raise trade concerns in WTO Councils and Committees. Korea agrees on the need to operate this mechanism in a more systematic and efficient way.

9.28. The revised proposal provides a set of non-binding and appropriate guidelines to this end. It facilitates engagement of concerned Members by setting out relevant procedures and specific periods to them. Circulating documents for formal meetings in advance, which is being implemented in some Committees, is another good element to improve the operation of this mechanism. My delegation encourages Members to support this proposal and is ready to work together towards the consensus on this proposal.

9.29. The General Council took note of the statements.

10 PROPOSED GENERAL COUNCIL DECISION ON PROCEDURES TO ENHANCE TRANSPARENCY AND IMPROVE COMPLIANCE WITH NOTIFICATION REQUIREMENTS UNDER WTO AGREEMENTS – ARGENTINA; AUSTRALIA; CANADA; CHILE; COSTA RICA; THE EUROPEAN UNION; ISRAEL; JAPAN; REPUBLIC OF KOREA; MEXICO; NEW ZEALAND; NORWAY; THE PHILIPPINES; SINGAPORE; SWITZERLAND; THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU; UNITED KINGDOM; AND THE UNITED STATES (JOB/GC/204/REV.7 - JOB/CTG/14/REV.7)

10.1. The Chair recalled that this item had been included in the agenda of the General Council by the United States, together with the communication in document JOB/GC/204/Rev.7 – JOB/CTG/14/Rev.7; and that the proposal had been included in the agenda of the July meeting, with the previous version of the communication.

10.2. The representative of the United States delivered the following statement:

10.3. I would like to thank all the delegations that engaged with the United States and the other co-sponsors in July and also in our interactions since then. Even in the relatively brief period since the last General Council meeting, there is considerable progress to report on the Proposal to Enhance Transparency and Improve Compliance with Notification Obligations Under WTO Agreements (document JOB GC/204/Rev.7 – JOB/CTG/14/Rev.7). Notably, we are pleased to welcome five new co-sponsors, Iceland, Mexico, Republic of Korea, Paraguay and the Philippines who have joined in recent weeks, bringing the total number of co-sponsors to 19, plus the EU and all its Member States. The co-sponsors have continued to consult with Members to understand the resource, time and capacity challenges that prevent them from making good faith attempts to meet their notification obligations.

10.4. We have heard Members' concerns that internal coordination challenges and high rates of turnover across Ministries make it very difficult to submit notifications on time. The co-sponsors hear your concerns, as we face these same challenges ourselves. So, the title of the proposal has been changed to more accurately reflect a core aim of this effort, which is to improve Members' ability to comply with their notification obligations by simplifying and reducing burdensome requirements. "Strengthen" in the title has been replaced by "improve" to emphasize that the proposal will not expand Member's notification obligations or increase notification requirements in any way.

10.5. Paragraph 3 sets out a number of possible improvements that can make a difference, but the real work will take place in Committees and Groups where Members may express their views and share first-hand experiences. We strongly encourage any Member interested in improving transparency to be part of the Working Group on Notification Obligations and Procedures. A significant change made in Rev.7 is the deletion of the language in the previous paragraph 5 which gave instructions to the Committee on Agriculture regarding a specific set of agriculture-related notifications. We heard Members' concerns about the importance of equal treatment for all notifications, and the value in allowing conversations to play out in individual Committees, and we responded to those concerns. And while we recognize that some have expressed interest in making the notification proposal more comprehensive, we consider work by CTG groups as a good starting point.

10.6. This proposal is an opportunity to bring greater transparency to one part of the system. It is something tangible we can do right now to make a difference. If we can succeed with improvements here, we can tackle transparency-related challenges more broadly. It is true that administrative measures remain, but the incentives provided allow for any Member to seek assistance and support – regardless of the specific circumstances – and thereby meet its commitments. This should limit the need to apply administrative measures except in extreme situations. Of course, LDCs remain completely exempt from administrative measures provided that they request support and keep the relevant Committees informed of their needs.

10.7. We have also heard the concern that Members' rights of participation in the WTO are being taken away, but we want to be clear: no Member is blocked from engagement and/or participation in any WTO body. Nevertheless, there should be some consequences when Members are unwilling to meet their basic membership commitments. We feel that this proposal will in fact strengthen all

Members' voices in the multilateral trading system – developing countries' voices in particular – by empowering them to play a more active role in the functioning of the WTO and reinvigorating a sense of ownership.

10.8. This proposal has evolved considerably since it was first introduced several years ago. It represents a sincere effort by the co-sponsors to tackle WTO reform at a practical level with tangible benefits for all WTO Members. It would bring transformative change to the organization, strengthen the WTO's negotiating arm, and enable the WTO to make progress in negotiating new rules. We welcome Members' support for the proposal at this critical juncture.

10.9. The representative of the United Kingdom delivered the following statement:

10.10. We welcome this proposal being brought to the General Council again. While we're rightly dedicating much time in the lead up to MC12 on critical policy issues like fisheries subsidies, trade and health and agriculture, we would be remiss to overlook this opportunity to make a less noticed but highly significant contribution at the Conference to improving the way our system works. These are a set of changes that would not only improve the way that we monitor each other's adherence to the principles we have commonly agreed, but also make it easier to update those rules in future, improving our common understanding of the landscape of global trade. This is, in other words, an idea whose time has come. With that in mind I am delighted to welcome the new co-sponsors, as named by our colleague from the US. I hope Members can recognise the way co-sponsors have listened to and responded to feedback received during outreach on this proposal and can see that significant shifts have been made in recent versions of the proposal. We encourage Members to review the latest text and co-sponsors remain open to further discussions on this as we move toward MC12.

10.11. The representative of Iceland delivered the following statement:

10.12. Iceland fully supports the statement made by the US and is happy to be added to the list of co-sponsors to this proposal. Transparency of trade policies, trade measures and trade statistics is a fundamental principle underpinning a rules-based multilateral trading system. Such information sharing by Member states creates predictability for cross-border traders and ensures an effective implementation of existing trade agreements. Additionally, transparency works to better inform ongoing negotiations to further enhance rules and disciplines governing international trade.

10.13. At the same time and speaking on behalf of a small administration - we do understand the burden that transparency obligations can have on many Member states. The introduction of necessary flexibilities for Members encountering temporary difficulties in fulfilling their notification obligations was therefore an important factor behind Iceland's decision to join this proposal, as was the elimination of financial penalties.

10.14. In that regard, I would like to express my appreciation to the proponents of this work for conducting an open and inclusive process which has led to this improved and revised version of the proposal. Iceland encourages all Members that have not yet done so to support this important proposal and consider joining as co-sponsors.

10.15. The representative of the Philippines delivered the following statement:

10.16. We thank the United States, the UK and other co-sponsors for their statement on this agenda item. We have witnessed the constructive evolution of the proposal on enhancing transparency and improving compliance with notification obligations – from the very first version almost three years ago, to how it stands today. The positive systemic objective which the proposal fosters is clear to us. The Philippines is therefore pleased to join other co-sponsors in joining this initiative as revised and as contained in JOB/GC/204/Rev.7 (14 Sep 2021).

10.17. The administrative aspect of the proposal has already greatly evolved. The Philippines considers that there now is balance between, one, the objectives of enhancing transparency and improving notification compliance; two, the need to take into full account real practical difficulties of developing countries and LDCs; and, three, the need to address any wilful refusal to meet basic WTO commitments. We welcome other Members to engage with the co-sponsors to gain a better appreciation of the proposal.

10.18. The representative of Turkey delivered the following statement:

10.19. Turkey firmly believes that transparency is the key to a functioning multilateral trading system and the work of the WTO to ensure that is critical. That is why we are closely following the effort on the side of the co-sponsors of this proposed decision. We welcome the recent amendment on the title of the proposed decision. It clarifies that the ultimate aim of the proposal is to improve compliance with notification requirements and not bringing in new ones.

10.20. As we stated earlier, to achieve that aim, what we need is simplification of certain notification formats, longer time-frames, technical assistance and close guidance to assist Members. Acknowledging the capacity constraints developing and least developed countries have, we believe administrative measures for non-compliance, would only further alienate these countries from the multilateral system. If we want to urge Members to comply, there are already possibilities and mechanisms to do that in relevant bodies. This kind of result oriented and pragmatic approaches can be more appropriate for the enhancement of transparency. And as a result, it can increase compliance with notifications. We are ready to work with interested Members for such proposals.

10.21. The representative of Chinese Taipei delivered the following statement:

10.22. We thank the United States for the updates of the proposal and the detailed explanations to respond to any possible concern. It is encouraging to have another five new co-sponsors (Iceland, Republic of Korea, Mexico, Paraguay and the Philippines) joining the proposal since the last General Council meeting. We also welcome the latest revision in JOB/GC/204/Rev.7 that helps bring more comfort and clarity on some concerns.

10.23. Members always value transparency. However, it is also the fact that the level of notification compliance is yet to be improved. It is our joint responsibility to look into the root cause and this is what this proposal all about. The proposal genuinely addresses the challenges and bottlenecks that hinder Members' compliance with notifications. We, therefore, encourage all Members to attach greater attention on the positive effect that could be generated by this proposal to improve the fundamental function of the WTO and look forward to working together in making the proposal going forward.

10.24. The representative of Paraguay delivered the following statement:

10.25. My delegation thanks the delegation of the United States for introducing this agenda item which, after long discussions with the original proponents, we co-sponsor today. This was made possible by a willingness, demonstrated by the proponents of the initiative, to find alternatives and reach consensus. The deletion of paragraph 5 from the previous text, which called for a differentiated treatment of agricultural notifications, has played a decisive role.

10.26. Notifying our policies and complying with WTO rules are of the utmost importance. Therefore, it is of great value to maintain administrative measures that currently encourage Members not only to comply with obligations but also to seek technical assistance to overcome the difficulties inherent to the compliance with these obligations. We all experience difficulties with notifications, but we can also reap great benefits from improvements in the capacity to notify and the resulting increase in the number of notifications received. We recall that for small delegations from developing countries, the WTO's monitoring and transparency function is fundamental for gathering information, especially because of our limited global network of diplomatic missions and representations.

10.27. The proposal has evolved, as demonstrated by our support for it. We encourage all interested Members to contact the proponents to find ways to address their concerns, which would allow us to arrive at a consensus, with a view to improving the monitoring, transparency and functioning of this Organization.

10.28. The representative of Brunei Darussalam delivered the following statement:

10.29. Brunei Darussalam agrees that transparency is an important element for the basic functioning of a rules-based organization such as the WTO, particularly for small economies, and developing and least developed countries, and so proposals to improve transparency in such a multilateral setting should be encouraged and seen as a positive step.

10.30. While efforts to enhance transparency appears as though they should be easily acceptable by all, it should be remembered that there are those of us who face genuine, real and practical constraints. Whether in the form of human, technological/infrastructure or technical capacity, these constraints give rise to many challenges which have been further exacerbated by the crises the global pandemic has given rise to. Therefore, we see the suggested steps that the Working Group should take to facilitate compliance as being in the right direction, as highlighting areas where a Member is lacking, particularly in notifications, should be aimed at helping to identify and address a Member's gaps. Onerous punitive measures merely perpetuate the cycle of difficulties developing and least developed country Members face, when facilitative action is what is rather needed.

10.31. We thus support suggestions that other Members have previously made, and share some of our own views on what would be beneficial such as: simplified notification procedures, for existing or future obligations; compliance awareness raising, to highlight the lack of compliance or notification by the WTO Member who oftentimes may not even be aware of such a lack; technical assistance and guidance on the action needed to be undertaken by the WTO Member to be in conformity; and longer time frames sufficient to operationalize such needed action. We encourage the proponents to bear these in mind as they continue to undertake consultations on this proposal.

10.32. The representative of South Africa delivered the following statement:

10.33. We would like to thank the cosponsors of the revised document in JOB/GC/204/Rev.7 and the further explanation of changes made to the original proposal as put forward by the United States. We align ourselves to the Statement by the Africa Group and the ACP Group. South Africa views Transparency as one of the important pillars of the multilateral trading system. The Paper titled "An Inclusive Approach to Transparency and Notification Requirements in the WTO" is our departure point to the core issues raised therein.

10.34. We acknowledge the attempt made to address our concerns, but remain concerned with the proposed administrative measures that aim to penalize Members that are unable to comply with their obligations. We believe that this represents a disproportionate response to the inability of many developing countries to fulfil their notification obligations due to capacity constraints, especially when the inability of many developing countries to comply is not wilful neglect of obligations, but is primarily due to serious capacity constraints at Member States level.

10.35. We are concerned at the attempts to introduce changes to notification obligations under the Agreements and Understandings listed in paragraph 1 of the proposal, without following the amendment processes prescribed under the Marrakesh Agreement, thus severely affecting the rights and obligations of Members. Similarly, on the intention to use Members' TPR reports as a basis for the enforcement of specific obligations or the imposition of new policy commitments on Members, the TPRM was never intended to serve as a basis for the enforcement of specific obligations under the Agreements or to impose new policy commitments on Members.

10.36. While this revised paper has addressed the financial penalties, it still includes notification requirements on final bound rate AMS commitments for developed Members to 2 years. We look forward to engaging with the proponents to further engage on the issues entailed therein.

10.37. The representative of China delivered the following statement:

10.38. We take note that the proposal has been further revised, we thank some of the proponents for engaging with us bilaterally on this proposal. As we indicated in previous General Council meetings, we share the views with proponents on the importance of transparency for proper functioning of multilateral trading system and the need to improve the compliance with notification obligations. However, China believes that the general approach to achieve the above-mentioned objectives is to provide incentives to support Members' efforts to meet their notification obligations rather than taking a punitive approach depriving Members legitimate rights as WTO Members. We also see the problems in encouraging Members to bring to relevant Committees any notifications that other Member considers have not been made. In our view, this will add further burden to Members and may not be conducive to helping Members improve compliance regarding transparency and notifications. We look forward to continuing discussions with the proponents on this proposal.

10.39. The representative of Japan delivered the following statement:

10.40. Japan would like to reiterate that this proposal is to improve compliance with Members' existing obligations, and is not proposing the introduction of any additional burden on Members. Before the administrative measures kick in, there are multiple layers of safeguards in place. This proposal is calling for discussions among Members to improve the notification system. To find common ground on this issue by MC12, the co-sponsors will continue to reach out to the Members to explain the proposal.

10.41. The representative of Mexico delivered the following statement:

10.42. We would like to thank the United States for the updates and the presentation of the new version of the document. The changes that have been made underscore the aim of the document and reduce the administrative measures. We are very happy to see the changes that have been made when it comes to the distinction between different kinds of notifications. We think this is a useful document for us to revise all notification processes, without prejudice to any possible questions. The evolution of the document can be seen. The reason why Mexico has joined as a co-sponsor of the document is that we believe it is very important to improve compliance with notification requirements within the WTO, and we think this could be a good foundation for further discussion in the future.

10.43. The representative of Israel delivered the following statement:

10.44. I want to thank all the co-sponsors, in particular the new co-sponsors of this proposal. The momentum we've had during the last few months shows that we have tackled the concerns raised previously seriously, and we aim to agree on this as a potential deliverable for MC12. All Members agree that transparency is of critical importance to the system's overall functioning. Therefore, I urge all Members consider supporting it. Israel stands ready to continue our close collaboration with the co-sponsors and those interested in joining as co-sponsors.

10.45. The representative of Mauritius, on behalf of the African Group, delivered the following statement:

10.46. I would like to highlight what the African Group has always been supportive of the principle of transparency and understands the importance of this practice for the Organization. However, we do not believe that enforcing punitive measures or imposing financial penalties against Members to meet certain notification obligations are the best approaches in addressing the problem of notification in this Organization. While technical assistance in the field of notifications is welcome, it does not address all the issues that developing countries face. We are ready to engage constructively in discussions to improve the transparency rules of the WTO, but transparency rules must not be unnecessarily burdensome and onerous, especially in light of limited institutional capacity of developing and least developing countries. The African Group is also concerned with the proposal on counternotifications which will not necessarily assist in strengthening the multilateral trading system.

10.47. The representative of Jamaica, on behalf of the ACP Group, delivered the following statement:

10.48. The ACP Group thanks the United States for the statement and the cosponsors for their submission. The Group reaffirms its previous statements on the issue which has been on the General Council's agenda for some time now. We will again stress the importance of transparency to the optimal functioning of the WTO, Members' adherence to their transparency obligations is critical for our businesses' participation in global trade and in our discussions at the WTO. We fully support adherence to obligations as it is the nature of a well-functioning rules-based multilateral trading system. At the same time, we must be cognizant of the severe capacity constraints of developing countries and LDCs even made worse by the impact of the COVID-19 pandemic.

10.49. We are in sympathy with elements of the proposal which look at capacity constraints and options to dealing with them. We also welcome the removal of financial measures. We think those ideas are good ideas and can assist in finding a way forward. A way forward is in the interest of all Members. We believe that to solve the problem we have to address the root causes. For the ACP Group Members, with our outstanding notifications, our root cause is not wilful neglect nor

negligence, it has never been that. The root cause of the problem for our Members is capacity constraints, the proposal especially the inclusion of administrative measures, is therefore sending an unfortunate message that Members should be sanctioned for their limited capacity. This is not the approach required to address this very important issue. We cannot and will never accept a punitive approach to resolving what is essentially a capacity constraint issue. It must be addressed in a way that incentivizes dialogue, cooperation, technical assistance and capacity building. It is for this reason that the ACP Group cannot accept this proposal. We stand ready however to engage constructively in respect to finding a durable solution to this issue of adherence to notification obligations. The ACP Group and some cosponsors of the proposal had a very encouraging meeting last week and we remain committed to working with all Members to find a common ground.

10.50. The representative of the Republic of Korea delivered the following statement:

10.51. Korea appreciates the United States and other proponents' intervention and expresses our support on this proposal, as a co-sponsor. My delegation finds the revised version of the proposal in a right balance by broadening supports to all Members, including LDCs, and removing the proposed financial measure. This proposal helps Members fulfil our obligation of notification under the WTO Agreements, by providing the capacity-building, which will contribute to enhancing transparency in the end. With the latest revision of its title to "improve compliance with notification requirements" from "strengthen notification requirements", it becomes clearer that the proposal focuses on improving Members' ability to notify. Korea would like to ask Members to engage in the discussions on the proposal for further developments and support the proposal.

10.52. The representative of Canada delivered the following statement:

10.53. Canada remains convinced to the long-term benefits that this proposal will bring to our Organization. Much of our discussion over the past year and a half has been about the importance of improved transparency and how it can help us all respond to crisis situations. This proposal offers us an opportunity to examine how to support those improvements, to find new tools to support each Member's effort to comply with the notification obligations and to encourage the provision of the assistance we all know produces positive results. It is time to seize this opportunity and star this work.

10.54. The representative of Pakistan delivered the following statement:

10.55. Pakistan thanks the co-sponsors for the revised document including its title and accompanying explanations and the process. We echo our past statements under this item. We believe that transparency is a fundamental pillar of the WTO, which brings predictability to trade. However, we are not sure that the proposal will have the desired impact of improving transparency with regard to notifications. We are not sure that non-compliance is always wilful or has quick fixes, like via technical assistance.

10.56. Pakistan re-emphasises that with regard to notifications, administrative and punitive measures would not lead to any optimal resolution. Such measures risk being counter-productive. Instead, we call for simplifying procedures, and seek an approach that makes the obligations easier and less complicated. Therefore, we are happy to engage with cosponsors in taking the discussion on this forward. At the same time, Pakistan would like to highlight that transparency is not confined to notification obligations. Transparency in the conduct of business and procedures, regular work of councils and committees, negotiations, approaches adopted for negotiations and in members' agreements with other Members, all must be transparent. In times such as these where global emergencies require urgent collective action, transparency in matters of global interest such as vaccine production and manufacturing licenses and technology sharing must also be transparent. Pakistan can work with members to address transparency in its true spirit and for the betterment of the membership

10.57. The representative of India delivered the following statement:

10.58. India thanks the co-sponsors of the present proposal on transparency. After listening to the submissions and deliberations today, we get this feeling that transparency is solely viewed as fulfilling notification obligations of developing countries, including LDCs, whereas, transparency is infused across the functions of the WTO, from the conduct of its day-to-day functioning, and how

these functions are communicated to the outside world. We get a feeling that insufficient information is only the concern of developed Members.

10.59. Let me clarify here that insufficient information is not only the concern of developed Members, developing countries also have concerns about some Members' notifications, and let me point out for the benefit of the Membership here, that whatever these concerns, when we had presented this about two years back, it was not taken up too seriously. I'm quoting from document JOB/GC/218, which was co-sponsored by the Africa Group, India and Cuba.

10.60. The first one is on improving agricultural notifications. The final bound AMS commitments, which were supposed to be provided within 120 days of the end of the year by some of the members have not been provided for more than two years. The second one is regarding GATS Article 3.3. The importance of services notifications is as good as the importance of goods notifications. Here we see that some developed countries are low in their level of compliance with existing notification requirements, under GATS Article 3.3, and we would request and encourage developed countries to comply with their notification obligations under GATS Article 3.3. The third one is on GATS Mode 4 related issues which have undermined existing mode for market access commitments. Various proposals have been submitted by developing countries to enhance Mode 4 GATS transparency, to allow for effective realization of the market access, which has already been provided for. We therefore encourage developed Members to regularly notify existing and new measures, which significantly affect their Mode 4 commitments. This is all the more required, in view of the present measures undertaken by various countries during the pandemic.

10.61. The fourth one is on Article 66.2 of the TRIPS Agreement. Developed countries have a positive legal obligation to provide incentives to enterprises and institutions in their territories to promote an enhance technology transfer to least developed countries. TRIPS Council has put in place a monitoring mechanism. However, this mechanism does not evaluate whether developed countries are compliant with their notification obligation under Article 66.2. Therefore, more transparency in this area would be supportive of least developed countries, efforts to build a viable technological base. The fifth one is on disclosure of reason of genetic resources and associate that traditional knowledge in patent applications. Here my request is that it would be useful to require WTO Members to make annual notifications on the number of patent applications based on traditional knowledge. And last is transparency in tariffs. Most non ad valorem charges are being implemented by developed Members at the WTO. Non ad valorem tariffs are non-transparent, create uncertainty and block market access. At the least, they are ad valorem equivalence should be notified every year, or for even more transparency, non-ad valorem tariffs should be converted to ad valorem duties.

10.62. In view of this, it is hard to agree to any proposal which is providing for administrative actions, and penalties, in case of delayed submissions of notifications and assumes wilful default on part of Members rather than taking cognizance of the capacity constraints and other legitimate difficulties faced by a large number of developing countries. We've denied that underlying principle. Therefore, another way of addressing this issue is to encourage Members who update their notifications, despite constraints, and to assist those who have not been able to do so, because of various reasons, including limited capacity. We look forward to a comprehensive engagement on this issue.

10.63. The representative of Bangladesh delivered the following statement:

10.64. My delegation thanks the co-sponsors for their submission through this 7th revision. We have discussed this issue in the previous General Council and CTG meetings, and exchanged opinions during several informal talks with Members. Bangladesh reiterates that transparency is an essential pillar, however, only a few notification templates cannot assure transparency.

10.65. My delegation thanks the proponents particularly for recognizing the difficulties of some Members and their capacity constraints to comply the notification requirements. We also welcome the provision of consultation with relevant Committees and other Working Groups and bodies to identify both systemic and specific improvements such as introducing simplified notification formats, updating reporting requirements, holding additional trainings and workshops at the committee level and using new digital tools that can help Members improve compliance with notification obligations. My delegation earlier has stressed that notification provisions under different Agreements are of diverse nature, and the capability of the LDCs to notify is severely constrained by a lack of technical

capacity and unique internal coordination challenges. The same is the case for the list of Agreements and Understandings that the co-sponsors mentioned under paragraph 1 of the draft Decision. According to the Marrakesh Agreement Article XI.2, LDCs "will only be required to undertake commitments and concessions to the extent consistent with their individual development, financial and trade needs or their administrative and institutional capabilities". Therefore, LDCs are not to be forced to act beyond their capacity and limitation. This proposal should also take into account the regular challenges that many LDCs face in complying notification obligation that require severe internal-administrative coordination in LDCs. My delegation believes, without practically addressing the capacity gaps and domestic coordination challenges of those Members, only administrative measures at the WTO will not do justice. On this issue, the delegation of Bangladesh looks forward to working with the Members.

10.66. The representative of Indonesia delivered the following statement:

10.67. We thank the proponents for the latest revision of the proposal and we thank the US delegation for the explanation. At the outset, Indonesia underlines the importance of transparency as one of the pillars of the multilateral trading system and transparency provides Members with equal access to information on prevailing laws, regulation measures and policies that effectively regulate our practice of international trade. Though we welcome the latest revision to the proposal, Indonesia is still of the view that punitive administrative measures would likely discourage participation of Members from developing countries and LDCs from the multilateral trading system.

10.68. The representative of Singapore delivered the following statement:

10.69. We would like to express our appreciation to the United States for raising this agenda item. We also welcome the new co-sponsors, which reflects the importance that Members continue to attach to notifications and transparency in the WTO. The latest amendments continue to demonstrate the proponents' openness to improve the proposal in order to progress towards consensus. I would like to emphasise one point here. That is to encourage Members to avoid framing transparency and notification as a 'developed vs developing Members' issue. It is not. Rather, transparency and notification are an important systemic issue that can help to buttress the role of the WTO as the cornerstone of the rules-based multilateral trading system. The complete and timely submission of notifications is key to ensure effectiveness of the WTO's monitoring function. More importantly, it promotes confidence amongst Members. Full transparency of Members' trade policies and implementation of WTO obligations helps mitigate trade frictions and allow better-informed negotiations.

10.70. The representative of the United States delivered the following statement:

10.71. I would like to thank all the delegations that engaged with the United States and the other cosponsors in July and also in our interactions since then. Even in the relatively brief period since the last General Council meeting, there is considerable progress to report on the Proposal to Enhance Transparency and Improve Compliance with Notification Obligations Under WTO Agreements (documents JOB GC/204/Rev.7 – JOB/CTG/14/Rev.7). Notably, we are pleased to welcome five new co-sponsors, Iceland, Mexico, Republic of Korea, Paraguay and the Philippines who have joined in recent weeks, bringing the total number of co-sponsors to 19, plus the European Union and all its member States.

10.72. The co-sponsors have continued to consult with Members to understand the resource, time and capacity challenges that prevent them from making good faith attempts to meet their notification obligations. We have heard Members' concerns that internal coordination challenges and high rates of turnover across ministries make it very difficult to submit notifications on time. The co-sponsors hear your concerns, as we face these same challenges ourselves. So, the title of the proposal has been changed to more accurately reflect a core aim of this effort, which is to improve Members' ability to comply with their notification obligations by simplifying and reducing burdensome requirements. "Strengthen" in the title has been replaced by improve to emphasize that the proposal will not expand Member's notification obligations or increase notification requirements in any way.

10.73. Paragraph three sets out a number of possible improvements that can make a difference, but the real work will take place in committees and groups where Members may express their views

and share first-hand experiences. We strongly encourage any Member interested in improving transparency to be part of the Working Group on Notification Obligations and Procedures.

10.74. A significant change made in Rev. 7 is the deletion of the language in the previous paragraph 5 which gave instructions to the Committee on Agriculture regarding a specific set of agriculture-related notifications. We heard Members' concerns about the importance of equal treatment for all notifications, and the value in allowing conversations to play out in individual committees, and we responded to those concerns. And while we recognize that some have expressed interest in making the notification proposal more comprehensive, we consider work by CTG groups as a good starting point. This proposal is an opportunity to bring greater transparency to one part of the system. It is something tangible we can do right now to make a difference. If we can succeed with improvements here, we can tackle transparency-related challenges more broadly. It is true that administrative measures remain, but the incentives provided allow for any Member to seek assistance and support – regardless of the specific circumstances – and thereby meet its commitments. This should limit the need to apply administrative measures except in extreme situations. And of course, LDCs remain completely exempt from administrative measures provided that they request support and keep the relevant committees informed of their needs.

10.75. We have also heard the concern that Members' rights of participation in the WTO are being taken away, but we want to be clear: no Member is blocked from engagement and/or participation in any WTO body. Nevertheless, there should be some consequences when Members are unwilling to meet their basic membership commitments. We feel that this proposal will in fact strengthen all Members' voices in the multilateral trading system – developing countries' voices in particular – by empowering them to play a more active role in the functioning of the WTO and reinvigorating a sense of ownership.

10.76. This proposal has evolved considerably since it was first introduced several years ago. It represents a sincere effort by the co-sponsors to tackle WTO reform at a practical level with tangible benefits for all WTO Members. It would bring transformative change to the organization, strengthen the WTO's negotiating arm, and enable the WTO to make progress in negotiating new rules. We welcome Members' support for the proposal at this critical juncture.

10.77. The General Council took note of the statements.

11 PAPER TITLED "THE LEGAL STATUS OF 'JOINT STATEMENT INITIATIVES' AND THEIR NEGOTIATED OUTCOMES" BY INDIA, SOUTH AFRICA AND NAMIBIA (WT/GC/W/819/REV.1)

11.1. The Chair recalled that this item had been included on the agenda at the request of the delegations of India and South Africa and related to the Paper on "Legal Status of Joint Statement Initiatives and their Negotiated Outcomes", together with the communication in document WT/GC/W/819. This item had been first introduced during the General Council meeting in March and had also been taken up in May and July.

11.2. The representative of India delivered the following statement:

11.3. The Tokyo Round Plurilateral Codes created a fragmented system of rules. While in respect of some contracting parties, the GATT rules were applicable in respect of others rules of Plurilateral Codes were applicable. This created considerable complexity in determining what obligations were applicable in respect of which Contracting Party. Recognizing problems created by the fragmented system of trade rules, WTO Members sought an end to this problem. This has been clearly articulated in the following recitals of the Preamble to the Marrakesh Agreement: "Resolved, therefore, to develop an integrated, more viable and durable multilateral trading system" And "Determined to preserve the basic principles and to further the objectives underlying this multilateral trading system."

11.4. These recitals in the Preamble to the Marrakesh Agreement clearly highlight the concerns of WTO Members arising from the fragmentation of the multilateral rules on account of Tokyo Round plurilateral codes. On this issue, the Appellate Body in one of the earliest disputes under the WTO, Brazil – Desiccated Coconut, had also observed "The authors of the new WTO regime intended to put an end to the fragmentation (emphasis added) that had characterized the previous system. This

can be seen from the preamble to the WTO Agreement which states, in pertinent part: Resolved, therefore, to develop an integrated, more viable and durable multilateral trading system encompassing the General Agreement on Tariffs and Trade, the results of past trade liberalization efforts, and all of the results of the Uruguay Round of Multilateral Trade Negotiations." Going back to plurilateral agreements would, therefore, be a step in the wrong direction and would be contrary to the determination and resolve as enshrined in the Preamble of the Marrakesh Agreement.

11.5. As co-sponsor to this paper, we would like to reiterate again that we are not questioning the right of Members to meet and discuss any issue. What we are saying is that when such discussions turn into negotiations and their outcomes are to be brought into the WTO rule book, the fundamental rules of the WTO must be followed. Any attempt to introduce new rules resulting from JSI negotiations into the WTO without fulfilling the requirements of Articles IX and X of the Marrakesh Agreement, will create a precedent for any group of Members to bring any issue into the WTO without the required consensus; bypass the collective oversight of Members for bringing in any new rules or amendments to existing rules; usurp limited WTO resources available for multilateral negotiations. Most importantly, such an approach will undermine balance in agenda setting and result in Members disregarding existing multilateral mandates arrived at through consensus in favour of issues without multilateral mandates, leading to marginalization or exclusion of issues which are difficult but critical to Membership at large, such as agriculture.

11.6. In sum, our paper only states that basic fundamental principles and rules, of rule based multilateral trading system, as enshrined in the Marrakesh Agreement, should be followed by all Members, including the participants of various JSIs. In fact, our paper also lists out options available to JSI proponents for bringing in their negotiated outcomes in the WTO.

11.7. The representative of Sri Lanka delivered the following statement:

11.8. We recall our previous statements made in this regard. Sri Lanka appreciates the proponents for bringing the pertinent legal issues to our considered attention. I wish to highlight four key points:

11.9. First, JSIs do introduce new systemic and developmental challenges that the Membership must reflect on the implications for decision-making in the WTO and what the impact is on the core principles of the WTO. They pose a serious challenge to the consensus-based decision-making principle of the multilateral system, prompting many developing country participants to become a part of the strategy to bypass consensus and WTO rules.

11.10. Second, we do not question the right for any group of Members to discuss any issue informally, but where such discussions turn into negotiations, and their outcomes are sought to be formalized into the WTO framework, this can only be done in accordance with the rules set out in the Marrakesh Agreement.

11.11. Third, we all know that introducing new issues, such as investment, would require decision of the Ministerial Conference. Where do we have such Ministerial Decisions to commence negotiations? We continue to bear the view that there is no legal basis on which negotiations on investment can occur within the WTO. Article III.2 of the Marrakesh Agreement says both the negotiations and the implementation are decided by the WTO Ministerial Conference, which operates by consensus. Not only is there no mandate to negotiate on investment in the WTO, such negotiations are explicitly precluded.

11.12. Finally, it must not be assumed that developing countries that participate in the JSI on the promise of benefits to them have endorsed the adoption of an outcome through mechanisms that violate the WTO's rules.

11.13. The representative of Australia delivered the following statement:

11.14. Plurilateral negotiations have a long history in this house. They have in fact been the predominant form of rule-making in this institution. There are many paths to multilateral agreements. Indeed, no multilateral agreement ever started with universal participation at the outset. WTO-consistent plurilateral trade agreements, with broad participation, play an important role in complementing multilateral initiatives. Australia is one of over 110 Members participating in one or more of the Joint Statement Initiatives. These initiatives complement multilateral initiatives

and provide a pathway to multilateralism, particularly where they are – and indeed they are – inclusive, open and transparent.

11.15. While we thank South Africa and India for their paper, we do not agree with the legal arguments in it. In particular, consensus is not required in order for Members to either launch these plurilateral initiatives. Consensus is also not required for a group of Members collectively to improve their schedules.

11.16. The current JSIs have the potential to deliver vital outcomes that strengthen the WTO's rule-making function at a time when we are all seeking to revitalise the WTO's rule-making function. We should indeed all be proud of the fact that the domestic regulation initiative in services is coming together, and is going to contribute to the success of MC12.

11.17. Australia therefore encourages all Members to participate in these plurilateral initiatives – and if they do not wish to join – to at least keep an open mind on them. This will help us to deliver outcomes that can modernise and enhance the WTO rulebook for the benefit of the entire Membership.

11.18. The representative of Nepal delivered the following statement:

11.19. Nepal is fully committed to safeguarding multilateralism and facilitating rules-based, predictable, transparent, and inclusive trade with a view to achieving broad objectives of the Marrakesh Agreement. Consensus-based decision-making and consultation, discussion, and dialogues to achieve the WTO objectives seems crucial. Nepal is in favour of the paper and supports its essence, as it is consistent with the promotion and protection of provision and spirit of the Marrakesh Agreement.

11.20. The representative of Bangladesh delivered the following statement:

11.21. Bangladesh is a strong supporter of multilateralism which should remain as the main principle of the WTO. My capital is still examining this communication that demands deeper discussion involving all WTO Members. Bangladesh looks forward to engaging constructively with the proponents.

11.22. The representative of Japan delivered the following statement:

11.23. Japan believes the JSIs will contribute to updating the WTO rulebooks and to ensuring the relevance of the WTO in the world today. Without the JSIs, the WTO risks becoming less relevant and even losing its *raison d'être* as a cornerstone of the multilateral trading system (MTS). We should recall that a number of achievements made in the GATT or the WTO were initially taken up or discussed in the plurilateral initiatives and they are later merged in this system. We believe the JSIs are legitimate and consistent with the WTO.

11.24. The JSI meetings are organized in an open, transparent and inclusive manner. While we need to take account of the convenience of respective Members including the size of the delegations to organize the process, the fact that many WTO Members are participating in the JSIs (in fact, the number of participating Members is increasing) and that actively engaging in negotiations in a creative and innovative way clearly shows its importance and relevance.

11.25. We have high hopes that, with more Members' participation, JSIs will achieve concrete outcomes at the time of MC12 and beyond. Japan will continue to work with other Members to deliver substantial outcomes in the JSIs.

11.26. The representative of the Republic of Korea delivered the following statement:

11.27. Like many others, Korea is a strong believer in the legitimacy and usefulness of JSIs in the legal framework of the WTO. Under the current circumstances in the WTO, these initiatives, which are open to all Members, represent the most viable, practical path for updating the WTO rulebook in order for the WTO to remain relevant to the priorities of today.

11.28. At the same time, we are of the view that the status quo for integrating plurilaterals is inadequate if we are to make the WTO even more relevant to new and emerging challenges. There needs to be efforts to look at ways to expand the legal options by which the integration of plurilaterals may be achieved. We note that India and South Africa's submission suggests potential amendments in the WTO's legal structure as a possible option. We thank those delegations, both JSI proponents and non-participants alike, that have helped to advance a constructive discussion on this issue.

11.29. The procedures for incorporating plurilaterally negotiated outcomes are predicated, to varying degrees depending on the areas concerned, on cooperation with non-JSI Members. It is our hope that participation in the JSIs would be as broad and inclusive as possible. It is also our hope that all Members will be supportive of integrating into the WTO rulebook the outcomes being negotiated in earnest by more than three quarters of its Membership, including small vulnerable economies and LDCs.

11.30. Lastly, we welcome and support discussions in the JSIs to enhance understanding of the legal architecture. Just this week, the Investment Facilitation JSI had its second in-depth discussion on this topic. Korea will continue to engage and contribute our thoughts to ongoing and future discussions on ways to expand legal options for integrating plurilaterals into the WTO.

11.31. The representative of Chinese Taipei delivered the following statement:

11.32. We attach high importance to the WTO being able to respond to the rapid changing international economic environment and global trade, especially in a digitalized world during the pandemic. We sincerely believe that the voluntary, open, transparent and inclusive nature of plurilateral approach of JSIs is a practical approach to update the WTO rules and to make the WTO a living organization. It does not affect non-participating Members' rights and obligations. Rather, non-participating Members can choose to join when they are willing and ready. In reality, these JSIs benefit all Members, including the non-participating Members.

11.33. The proponents mentioned that there is an option for the JSI negotiated outcome being concluded outside the WTO. However, we are of the view that it would be very undesirable, to see the participants not being able to have the JSIs concluded within the WTO and have to go outside the framework of the WTO. This could actually undermine the WTO functions in addressing and responding to trade and related matters. We urge Members to discuss a workable way forward for bringing the real benefit to all Members, taking into account the respective development stages and maintaining the existing rights and obligations of all Members.

11.34. The representative of the European Union delivered the following statement:

11.35. The paper touches on an important topic and we hope to discuss this subject post-MC12 in more detail. If one looks at history, multilateral outcomes were built on plurilaterals. We do not share the view that Joint Statement Initiatives (JSIs) would be antithetical to developing countries. The four JSIs under negotiation today include many developing countries and themes that are specifically geared to the needs of developing countries.

11.36. The risk is that if Members do not allow more flexibility to negotiate in this Organisation, negotiations will take place elsewhere. This amounts to an identity choice – and we prefer negotiations to take place here.

11.37. The representative of Norway delivered the following statement:

11.38. This is a very important systemic issue. Initiatives by individual Members and groups of Members have been a natural part of the development of the multilateral rules-based trading system and there is nothing that impedes Members to work on negotiating new rules in the WTO. The Joint Statement Initiatives respond to Members' ambitions to address issues of relevance in the 21st century and we should not prevent Members from working on initiatives that intend to strengthen and develop the system. The current initiatives cover a variety of issues and the format of the negotiated outcomes will be diverse also in its legal architecture and cannot therefore be predefined or prejudged. In that way we trust that Members who participate in these Joint Initiatives will find a way forward that respect the fundamental principles of this Organization. However, we are open to

have a broader discussion on how new rulemaking is integrated into the WTO, and I suggest that this could be an element of the WTO reform discussions post-MC12.

11.39. The representative of the United Kingdom delivered the following statement:

11.40. The United Kingdom has intervened on this proposal at previous General Councils, setting out our strong support for the Joint Initiatives, which have brought much needed energy and dynamism to the WTO. While it is perfectly fine to have a conversation about the legal status of our work on different issues at the WTO, and as our colleague from the European Union said, this is an important conversation, such a conversation should not be divorced from the reality of the people we serve and why we are sent here to Geneva. Last week's Public Forum was a timely reminder of the fact that business and civil society expects us to make progress on the issues that matter to them in the third decade of the 21st century. We should therefore be actively engaged in working out together how we can enable that and not in blocking progress on it. That should be the teller of discussion on our initiatives and is how the United Kingdom will continue to engage in this area.

11.41. The representative of Chile delivered the following statement:

11.42. We definitely support Joint Initiatives. While we have asked that the proponents raise a topic that is important and must be discussed, the dialogue must be carried forward with the purpose of seeking solutions and not of hindering the progress of Joint Initiatives. Last Thursday, we had the opportunity to hear positive reports by the coordinators of various joint initiatives, all of which are progressing steadily. For one of them, the text of the agreement is stabilized. This is great news for the WTO and an example that we should all follow.

11.43. Thanks to this progress, the initiatives have reinvigorated the negotiating function of our Organization and mobilized over two thirds of Members, with participants from all regions and levels of development. We should not lose sight of this, nor of its value as a route to finding solutions to the economic challenges of the 21st century.

11.44. Joint Statement Initiatives (JSI), being open, transparent and inclusive processes that respect the decision and rights of those Members that prefer not to join them, are absolutely legitimate. Seeking to deny the Members the right to continue along this path does not contribute to a healthy Organization. The alternative we had, multilateral negotiations, while certainly preferred, did not work. This must be acknowledged.

11.45. The achievements accomplished and future agreements will benefit not only all the participants, but also those Members that have not yet joined, especially developing and least-developed countries. Calling into question these initiatives would mean denying them this opportunity.

11.46. The representative of Colombia delivered the following statement:

11.47. I would like to reiterate our support for and commitment to the discussions and negotiations that are taking place in the various Joint Statement Initiatives. Colombia is a developing country, and our position on the document under discussion is well known: while reiterating our commitment to the multilateral system and the principle of consensus in this Organization, I would like to emphasize once again that we do not share the legal analysis presented in the text discussed under this agenda item. In this regard, and in the interests of promoting an efficient meeting, I would like to refer Members to our statement delivered under this same agenda item during the General Council's sessions in March and July.

11.48. The representative of Thailand delivered the following statement:

11.49. I think that the COVID-19 pandemic and its aftermath has revealed that the world trade and global economy has changed quite a lot, and the WTO must remain able to discuss how to help restore the global economy at a better pace, not just in a normal manner because things have changed quite dramatically. Our delegation sees that participating in Joint Statement Initiatives is one effective approach and opportunity to modernize existing WTO rules to become better suited to the current trade practices and challenges.

11.50. In our view, JSIs do not attempt to undermine the importance of the multilateral trading system but rather it is a way to strengthen it by addressing new key issues that are affecting today's trade. We appreciate the progress made so far in the Services Domestic Regulation and E-commerce negotiations, the JSIs that we are participating in, and we hope that this will become one of the tangible deliverables at the MC12.

11.51. We encourage non-JSI participants to look at the plurilateral process in a constructive way, as we think this reinforces the WTO's ability to respond to the current trade and global challenges and let us avoid putting the WTO at risk of a paralysis in the absence of a proper reform for the future.

11.52. The representative of Pakistan delivered the following statement:

11.53. My delegation does see the point behind why some Members would want to go off on this route of JSIs as a matter of routine at this point in time, but they do so without addressing the core problems facing WTO today. Pakistan welcomes the paper by India and South Africa on the legal status of JSIs. This paper has raised pertinent questions on an element which is of a fundamental nature for this organization. Notwithstanding their content, JSIs pose a challenge to the consensus-based decision-making principle of the multilateral system. Consensus lies at the core of this multilateral institution. Compromising this principle is a strike at the very foundation of multilateralism.

11.54. We hear frequently that the present JSIs under discussion are open, transparent and inclusive. This per se is no qualification, since every activity at the WTO is by definition supposed to be open, transparent and inclusive. Firstly, moving without consensus does not qualify as inclusivity. Second, negotiating agreements on subjects, others consider premature for negotiation, does not qualify as openness. Lastly, developing and smaller countries are often at a loss in terms of negotiating coalitions and defending their interests in a non-multilateral setting. We, therefore, see the questions posed in this paper as pertinent and look forward to discussing this aspect, particularly with reference to upholding the fundamental pillars of this system.

11.55. The representative of the Russian Federation delivered the following statement:

11.56. Russia strongly believes that pluri- formats must be acknowledged as one of the legitimate means to improve WTO legal framework. We are in favour of a flexible geometry approach in respect of the plurilateral agreements. It is not certainly the best option. However, since a truly multilateral approach in the new treaty-making process is still not feasible, we simply do not have other options to progress with the development of the new trade rules in the evolving areas that are still not covered by the WTO rulebook. At the same time the need for such universally recognized rules has been proven, especially in the context of the pandemic.

11.57. We are thus look forward to the MC12 outcomes that would reflect the progress achieved so far in respect of the JSIs. This work, of course, should go forward in parallel with the negotiations on traditional agenda. Russia believes that the Membership can and should proceed with both simultaneously.

11.58. The representative of Paraguay delivered the following statement:

11.59. Paraguay is a strong supporter of the multilateral trading system and we recognize that multilateral platforms are ideal for the progressive dismantling of barriers to trade of goods and services. Nevertheless, reaching multilateral agreements may not be an easy task for the Members, given the current circumstances, and some of them may want to further discuss certain areas that they consider essential.

11.60. We understand that Joint Initiatives have opened a much-needed and pragmatic path to overcoming obstacles in WTO negotiations. Plurilateral initiatives have created a space where the multilateral trading system can be reinforced and adapted to the challenges of the 21st century.

11.61. While it is a small country, Paraguay participates in a number of initiatives – such as the initiatives on e-commerce, investment facilitation for development, MSMEs, services domestic regulation and trade and gender – as we believe that they can provide tangible benefits to all

Members, including those not part of the initiatives. The cross-cutting nature of the issues addressed in each Joint Initiative and the participation of two thirds of the Members to date reflect the existing interest in promoting discussions that may serve as a means to development, keeping the Organization relevant.

11.62. For this reason, Paraguay encourages all of the Members to continue working on plurilateral initiatives in an open, inclusive and transparent manner, and on a voluntary basis. My delegation stands ready to discuss the best way of addressing the topic of the legal instruments that will be used to integrate joint initiatives into the WTO system of rules.

11.63. The representative of the United States delivered the following statement:

11.64. The United States believes that plurilateral negotiations at the WTO can be a useful means to advance issues of interest to Members and to keep the WTO relevant. As we said earlier in previous discussions, the various rigid positions expressed in this paper would seem to foreclose Members' ability to pursue creative and flexible approaches at the WTO to the challenges of today and tomorrow. We have carefully reviewed the arguments put forward in this paper and remain unconvinced based on the merits. The fact that participants in the Services Domestic Regulation JSI represent over 90% of services trade demonstrates that many others have reached the same conclusion.

11.65. The representative of Turkey delivered the following statement:

11.66. Turkey, as an active participant of all JSIs, believes that this discussion is vital not only for the future of the existing JSIs but also for the entire organization. We are all aware that multilateral decision making is the best way for a rules-based system in order to keep up with new and emerging issues. However, on some occasions, additional instruments and different configurations may be needed to foster and reinforce negotiations among Members.

11.67. JSIs continue to maintain their open, transparent and inclusive character and adhere to the fundamental principles of WTO and they contribute to the main objectives of this Organization. We look forward to engage in further discussions with all Members on how these agreements can be integrated into the WTO rulebook.

11.68. The representative of Israel delivered the following statement:

11.69. Israel has always been a strong supporter of the multilateral trading system. As a relatively small however open economy, we strive to further develop our international trade and economic collaboration with countries around the world on the basis of the multilateral trading system and the WTO rules. Therefore, we recognize the importance of supporting a well-functioning WTO. Plurilateral Agreements or JSIs should not replace multilateral efforts and we do prefer the latter. But plurilaterals do offer a complementary route that can deliver tangible results in new areas. The plurilateral channel is legitimate and it is open to all WTO Members, in fact, we believe that this channel keeps the WTO relevant in today's rapidly changing global trading system. Therefore, Israel intends to continue participating in all multilateral trade negotiations and similarly in plurilateral negotiations in which it has a specific trade interest. We see both routes as viable and complementary of the rulemaking function of the WTO.

11.70. The representative of the Philippines delivered the following statement:

11.71. The Philippines thanks India, South Africa and Namibia for their contribution. They have raised an important legitimate concern over an equally important undertaking of a vast majority of WTO Members on possible outcomes that, in our view, will be beneficial for the multilateral trading system. We wish to reiterate our prior statements and note that each JSI is different in nature and cannot be treated as one generic whole. We believe that the substantive hurdles raised are not insurmountable should there be political will and goodwill to allow Members to collectively pursue work towards objectives that are not WTO-inconsistent. What would be unfortunate is to use WTO rules to frustrate such a quest. In any event, the Philippines stands ready to engage in any discussions of the issues at the opportune time.

11.72. The representative of Indonesia delivered the following statement:

11.73. The institutional issue of all negotiated documents under the roof of the WTO should be considered as not less than necessary. Indonesia holds the view that ambition and urge to generate a particular discipline within the WTO must be in line with the rules agreed by all of us at the beginning of this organization. We have carefully listened to several views by Members that, particularly in the state of the modern economy, have served as the push to move forward with the ongoing initiatives. However, we are of the view that this motive is here to serve as the solution to address concerns on how this initiative may fulfil the clear prerequisites to introduce new rules in the WTO, as clearly said in the Marrakesh Agreement. As an Organization based on a rules-based system, failure to follow these rules will not only jeopardize the legitimacy of future Agreements but also the Organization as a whole. We also hold the view that this Organization should always serve its purpose to seek the benefit of all Members. It is our common interest for all Members to be able to reap the economic benefit from their participation in global trade.

11.74. The representative of Switzerland delivered the following statement:

11.75. We thank the authors of the document presented under this agenda item. However, Switzerland does not share the views expressed in it. We consider that plurilateral initiatives are an integral part of the WTO and the GATT system that preceded it. Joint Declaration Initiatives are an appropriate instrument to develop the trading system and strengthen the negotiating function of the WTO. It is also a flexible and effective way to respond to the needs of today's economy. Like the European Union, we believe that it is preferable for this work to take place under the auspices of the WTO to ensure transparency and to allow the participation of as many Members as possible.

11.76. I would add that initiatives emanating from joint declarations do not affect the obligations of Members that do not participate in them and, in many cases, these initiatives will extend their rights under the application of the most favoured nation (MFN) clause.

11.77. The representative of Singapore delivered the following statement:

11.78. Singapore's positions on the legal status of JSIs has been made abundantly clear in the past meetings. Hence, I'll just make three quick points. First, the JSIs represent an important vehicle to buttress the WTO's continued relevance. In fact, if the WTO does not address the rapidly-changing global economic and trading environment, it risks being marginalised. As Director-General Ngozi said last week, "our stakeholders will simply take their business elsewhere" when they see that we cannot deliver. During the recent WTO's Public Forum, there was almost unanimous chorus of support from all our stakeholders for the JSI.

11.79. Second, plurilaterals such as the JSIs have always been a part of the multilateral trading system. More importantly, it is misleading to claim that a decision is necessary by the Ministerial Conference in order to launch the plurilateral negotiations.

11.80. Third, the JSIs are building blocks towards multilateralism. They represent a promising way to make progress as they allow members who are ready and willing to move at a faster pace while remaining inclusive, by keeping the door open for other members to come on board when they are ready

11.81. The usefulness of JSIs is evidenced by the fact that over 140 WTO Members participate in at least one JSI, and barely 20 Members sit out completely.

11.82. The representative of Nigeria delivered the following statement:

11.83. We are in the 21st century, and during this period we must be creative and we must accept the present reality in order to improve global trade. We know that the discussion on JSIs at the moment is at the plurilateral level, but utmost ambition by Members of the JSIs to proceed into multilateral level. Moreover, plurilateral is not a replacement to multilateral, rather a complementarity. We have made a categorical statement in the last General Council meeting of July

and we still need to maintain our statement that we have made in that meeting so it would be reflected under this item.¹¹

11.84. The representative of South Africa delivered the following statement:

11.85. We thank the Members that have taken the floor. I thank the European Union for acknowledging the need for a discussion on this pertinent issue. We believe that as an international organisation, the WTO must operate within the parameters of the legal instrument that constituted it, being the Agreement Establishing the World Trade Organization (Marrakesh Agreement). The Marrakesh Agreement must be interpreted "in good faith in accordance with the ordinary meaning to be given to the terms of the treaty in its context and in light of its object and purpose".

11.86. The Preamble of the Marrakesh Agreement is clear that the aim is to create "an integrated, more viable multilateral trading system" among Members. The Joint Statement Initiatives' (JSIs) aim to develop and adopt new rules on existing and new trade-related matters among a sub-group of WTO Members through modalities confront the WTO's foundational commitments to multilateralism, consensus decision-making and the development acquis.

11.87. The Appellate Body Report in Brazil – Desiccated Coconut emphasizes the objective set out in the Preamble of developing "an integrated, more viable and durable multilateral trading system", and it says "[t]he authors of the new WTO regime intended to put an end to the fragmentation that had characterized the previous system". The "previous system" to which they refer was the system of Plurilateral Codes that came into existence after the Tokyo Round of the GATT.

11.88. The Marrakesh Agreement does not make provision for the so-called open plurilaterals and flexible multilateralism. Therefore, any suggestion that when offered on MFN basis, no consensus is required for bringing new rules into the WTO is legally inconsistent with the fundamental principles and procedures of Marrakesh Agreement. Importantly, new rules cannot be brought into the WTO through amendment of Members' Schedules.

11.89. We need to be aware that introducing variable geometry into WTO negotiations would create an "inherently discriminatory multi-tiered multispeed trading system, (...) reinforce asymmetrical bargaining power".¹² This will worsen an already challenging situation wherein agreed mandates and issues are put in the periphery. We are already witnessing this in the context of the Doha Round where concerns of developing countries to rebalance WTO rules, obligations and commitments which were promised as the price for agreeing to the Uruguay round now remain largely unfulfilled.

11.90. The question is what the implications are of launching JSIs on issues with a multilateral mandate. For example, the three substantive JSIs on electronic commerce, investment facilitation, and disciplines on domestic regulation of services are circumventing existing mandates. E-commerce has a multilateral mandate through the 1998 Work Programme. Investment Facilitation has a negative mandate - the General Council made an express consensus decision in the July 2004 package that any work towards negotiations on the "relationship between trade and investment" would be excluded from WTO until the formal conclusion of the Doha round. Domestic Regulation is supposed to be addressed through the Working Party on Domestic Regulation.

11.91. The paper seeks to remind us of the legal architecture that governs the functioning of the WTO and to highlight the systemic importance of preserving its multilateral character. We have highlighted what our understanding of the legal options and it would be important for the Membership to engage with the issues. We appreciate that the Chair of the Investment Facilitation has raised the legal questions with the participants as there is a need for the systemic issues that arise need to be addressed. We would appreciate a better understanding of which aspects Members do not agree with and we would be happy to engage with Members.

11.92. The JSIs introduce systemic and developmental challenges that the Membership must reflect on. These have implications for decision making in the WTO. The result is marginalization of existing multilateral mandates arrived at through consensus in favour of matters without multilateral

¹¹ The statement delivered by Nigeria at the General Council Meeting held on 27-28 July 2021 is contained in document WT/GC/M/192, para. 14.9 and included by reference in the minutes of this meeting.

¹² Michael Trebilcock, "Between Theories of Trade and Development. The Future of the World Trading System", *Journal of World Investment & Trade* 16 (2015) 122-140, 132 (Trebilcock 2015).

mandates. In the process, issues which are difficult but fundamental to the multilateral trading system, such as agriculture, development, and S&D are relegated to the periphery. This creates imbalances in agenda setting, negotiating processes and outcomes.

11.93. As my delegation has previously observed, there is a difference between sectoral negotiations that change schedules vs rules. A procedure for amending rules is enshrined in Article X of the Marrakesh Agreement. On the other hand, the GATT and GATS contain specific provisions for modifications of Schedules. It is therefore important to respect this difference.

11.94. Some of the relevant questions that need to be considered are: Can any group of Members come up with an idea and bring it into the WTO under a JSI and what does that mean for the multilateral character of the WTO? Will this not fragment the MTS? What lessons can be drawn from the GATT and predictability of rules when you have different rules applying to different Members? How and whether Members can bring new rules not agreed by consensus into the WTO without following the processes and provisions entailed in the Marrakesh Agreement? What are the implications of JSIs in addressing issues that have a multilateral mandate, thus subverting the multilateral directives? What does this mean for the Membership and the Secretariat?

11.95. We do not question the right for any group of Members to discuss any issue informally, but where such discussions turn into negotiations, and their outcomes are sought to be formalized into the WTO framework, this can only be done in accordance with the rules set out in the Marrakesh Agreement. We urge the Membership to reflect on these questions with a view to uphold the principles of multilateralism that underpin this institution and are so critical at this critical time. For us it is not the number of proponents or co-sponsors but the need to need to preserve the rules, otherwise issues advanced by the majority such as the G90 SDT proposals would be approved.

11.96. The representative of Mexico delivered the following statement:

11.97. I want to repeat what I have said in previous occasions, that we subscribe to what other Members have said today with regard to the pertinence and relevance of plurilateral agreements at the WTO.

11.98. The representative of Zimbabwe delivered the following statement:

11.99. We refer to our previous statement on this issue and await for concrete responses from JSI proponents. We believe in the sanctity of WTO Agreements, and would ask those Members that are sponsoring those various JSIs to address the questions raised by the co-sponsors.

11.100. The representative of Tunisia provided the following statement:

11.101. My delegation thanks the proponents for their submission and reiterates its commitment to the WTO as an advocate of the rules-based multilateral trading system, in which decisions are adopted by consensus. Plurilateralism remains an exception, as a basis for negotiating either new rules or wholly new plurilateral Agreements.

11.102. The progress made in discussions on the work on Joint Initiatives should not deviate from their informal framework. The formalization of their results under WTO rules can only occur in accordance with the rules of procedure for amendments and decision making, as provided for in the Marrakesh Agreement.

11.103. The General Council took note of the statements.

12 CHAIRMANSHIP OF THE COMMITTEE ON GOVERNMENT PROCUREMENT – AUSTRALIA; CANADA; THE EUROPEAN UNION; ISRAEL; JAPAN; MONTENEGRO; NEW ZEALAND; THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU; UNITED KINGDOM; AND THE UNITED STATES

12.1. The Chair recalled that this item had been added to the agenda for the second time, at the request of the European Union on behalf of a number of Members, as indicated in the agenda.

12.2. The representative of the United States delivered the following statement:

12.3. The United States is delivering this statement on behalf of Australia, Canada, the European Union, Iceland, Israel, Japan, Liechtenstein, Montenegro, Norway, New Zealand, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu (Chinese Taipei), the United Kingdom and Switzerland. This is the second occasion that a group of GPA Parties feels compelled to bring the issue of the Chairmanship of the Committee on Government Procurement to the attention of the General Council. We do so with an increasing sense of concern over the continued impasse.

12.4. The GPA Parties would like briefly to recall the process that has led us here. The GPA Committee started its process to select a new Chair in January. Only the twenty-one Parties to this Agreement are involved in this exercise and accession candidates or Observers are not entitled to participate. Two candidates were nominated by GPA Parties, one from Chinese Taipei and one from Poland. In the following weeks, a significant majority emerged in favour of the candidate from Chinese Taipei, which led the Polish representative to withdraw from the race, leaving only the candidate from Chinese Taipei. We wish to emphasise that the process was run with integrity, inclusiveness and transparency, and was based only on the merits and qualifications of the candidates. We are confident that the candidate from Chinese Taipei would be able to uphold the Chair's duty to act in an entirely impartial manner, including with regards to all ongoing and potential future accessions to the GPA.

12.5. The GPA Parties subsequently met many times, formally or informally, in an effort to appoint the candidate from Chinese Taipei: on 28 May, 2 June, 16 July, and most recently again on 6 October. During each of these meetings, Hong Kong, China intervened to block consensus. It indicated in this Council in July that it could not support the candidate from Chinese Taipei on the grounds that such a "proposal will not be conducive to advancing the work of the Committee on Government Procurement, or the accession of new GPA Parties". No further explanation has been offered to substantiate this view.

12.6. The Parties wish to recall that the terms and conditions of Chinese Taipei's membership of the WTO were agreed in detail in 2001. These did not include any limitation on the rights and privileges that Chinese Taipei may exercise as a member of this Organisation, including the right to chair WTO Committees. China, an Observer to the GPA, intervened on the item "Election of the Committee's next Chair" during the GPA Committee meeting on 2 June 2021. Even though the selection of the Chair is a right and privilege reserved only for GPA Parties. China also intervened during our discussion on this issue in July at the General Council. It stated that "though the GPA Committee is a plurilateral Committee, it is still under the WTO framework. If any decision made in the GPA will have spill-overs on non-GPA Party sensitivities, the GPA parties should give attention and respect to such sensitivities of non-Parties".

12.7. We wish to emphasise that the decision to appoint the GPA Chair will not have any impact on non-GPA Parties as the GPA Chair, like all Chairs of WTO committees, has a duty to act in an entirely impartial manner. We also remind China that the decision is up to GPA Parties alone, as agreed to in the revised GPA, and similar to all other plurilateral agreements.

12.8. In our capacities as both WTO Members and GPA Parties, we are therefore deeply concerned that the GPA Committee's functioning continues to be undermined. A continued blockage carries the risk that the GPA Committee will not be able to meet as scheduled later this month, noting that the outgoing Chair departed from Geneva on 21 July 2021. This would seriously affect the functioning of the Agreement. We therefore urge Hong Kong, China – a WTO Member that has long played a valued and constructive role in the WTO as well as the GPA Committee – to reconsider its position and join consensus to appoint the one remaining candidate as the next Chair of the GPA Committee. We also remind the non-GPA Parties that they are not entitled to engage in the selection of the GPA Committee Chair.

12.9. The representative of Hong Kong, China delivered the following statement:

12.10. Members would note that this is the second time that we have this item on the agenda, and Members would also recall that almost the same group of Members proposed to discuss the same matter at the previous General Council meeting just before the summer break, to which Hong Kong, China already responded by setting out our observations and position at the same meeting.

12.11. Regrettably, there has been little progress in the matter since then, so I am not going to rehearse all the points I have made before and would refer Members to Hong Kong, China's statement delivered at the July General Council meeting.

12.12. Perhaps I would just reiterate that Hong Kong, China is unable to join any consensus to designate the Chinese Taipei candidate as the next Chair of the Committee on Government Procurement (CGP), and that our position is formulated with the WTO's broader interests in mind. Hong Kong, China does not support designating the Chinese Taipei candidate as the next CGP Chair because we do not believe it will be conducive to advancing the various work programmes of the CGP.

12.13. As we explained last time, Hong Kong, China had made two suggestions to try to resolve the impasse and provide an interim solution, but unfortunately both suggestions were rejected by other GPA Parties without much discussion – it seems that other Parties think that the only way forward is for Hong Kong, China to reverse its position and defer to their preference, but I am afraid this would not be conducive to developing a solution acceptable to all.

12.14. Hong Kong, China all along upholds WTO's long-established and important principle of making decisions by consensus, and we strongly believe that it is WTO's core value that all views should be respected.

12.15. The Agreement on Government Procurement (GPA) is a plurilateral agreement. According to the Guidelines for Appointment of Officers to WTO Bodies (document WT/L/510), the CGP, as a body established by plurilateral trade agreement, should decide on the selection criteria of its chairmanship and other related matters itself. Hong Kong, China stands ready to work constructively with other GPA Parties to select the next CGP Chair in accordance with WTO's long-established tradition of making decisions by consensus.

12.16. Hong Kong, China would appeal to all GPA Parties to re-engage in the discussion and explore our two suggestions, which have been adopted as interim arrangements in other WTO bodies before, and/or any other practical options that are in line with the established practices of the WTO.

12.17. The representative of China delivered the following statement:

12.18. If my memory and records are reliable, a subsidiary body Chair selection impasse to be raised in the General Council meeting agenda has never happened before, but for the GPA Committee it is the second time. More than that, as a subsidiary body, this Chair selection impasse has never been submitted to any up-level Chair, including General Council Chair for coordination, but directly comes to the General Council meeting. It is not the way the WTO works. For such reasons and for the interest of the majority of Members I should have blocked the meeting agenda from being adopted but I did not. If people want to try, let them try, in the end we all know what the pragmatic way to solve the problem is. Wasting the public resources is not what I want to encourage.

12.19. China regrets that the Chair of the GPA Committee has not been selected yet as we all believe in the Chair selection of relevant bodies in the organization have an uncontroversial and consensual candidate matters a lot to this committee as well as this organization and finally Members as a whole. In the statement delivered by Hong Kong, China both in the GPA Committee and General Council in July and repeated just now were clearly stated their positions and concerns on the candidate. In the meantime, they also suggested constructive proposals unfortunately suggestions proposed by Hong Kong, China have never been seriously discussed.

12.20. From the proponents' interventions I can hear one message, consensus cannot be reached because one Party blocks so this Party must join consensus, this Party must swallow what it cannot swallow, if it is a logic of the proponents of this article I will ask whether proponents themselves have followed this logic, can we start Appellate Body selection right now?

12.21. There is an old saying in China: one should not impose on others what he himself does not desire. Hong Kong, China is a small Member but small Members also have the interests and the concerns, small Members also have the right to say no when they cannot agree. So, the key issue the GPA Committee is facing is consensus cannot be reached on the candidate rather than anything else. Such situation is not rare in the WTO but why this time it became so difficult even as mentioned

by proponents themselves this would undermine the function of GPA Committee. It is because the proponents insist to appoint a candidate to be the Chair of GPA Committee even this candidate cannot get full support of all GPA parties.

12.22. As we are all aware, the WTO has long principles, guidelines and practices on Chair selection, when Members cannot reach consensus on a candidate, the candidate should withdraw from the selection process and Members should seek other pragmatic approach to solve the issue. Given the current situation in GPA Committee we cannot stop asking who is undermining the GPA Chair selection process and who is undermining GPA function.

12.23. We also want to highlight that according to the document namely Decisions on Procedure Matters under the Agreement on Government Procurement 1994 observers may participate in the discussions, but decision shall be taken only by Parties. So, China as an observer to GPA has a right to participate in the discussions on the item regarding GPA Committees' Chair selection but of course the decision is taken only by all GPA Parties. We have clearly indicated many times that as an active Member in accession to GPA, China is concerned with and closely following the Chair selection process, we have no intention to interfere the GPA Committee Chair selection and we fully respect the selection result based on consensus by GPA Parties.

12.24. The representative of Chinese Taipei delivered the following statement:

12.25. Like many GPA Parties, we are disappointed that Hong Kong, China is still not able to join the consensus. Hong Kong, China raised some broad, vague and unclear reasons in the formal and informal CGP meetings and in this and previous General Council Meetings, such as its blocking is for "WTO broader interest" and our candidate "will not be conducive to advancing the work of the Committee and accession of new GPA Parties". Hong Kong, China is yet to explain exactly why the candidate, who has gained 20 GPA Parties' support, "will not be conducive to advancing the work of the Committee and accession of new GPA Parties" or would act against the "WTO broader interest".

12.26. As we indicated in the last General Council meeting, and let me firmly assure again that, the elected Chair is obliged and, definitely, will act in a fair, impartial and transparent manner when handling all related matters, including matters regarding China's accession to the GPA.

12.27. As stated by many GPA Parties in the formal and informal CGP meetings and in this and previous General Council Meetings, when they decide which candidate is their preference, the only factors they consider are experiences, skill, expertise and other merits of the candidates. These merits should also be the only factors to decide the qualification of Chairmanship. If we allow WTO Members or GPA Parties to use unfounded reasons as the basis to deny a qualified candidate, we risk jeopardizing the long-established tradition, the integrity of CGP Chair's election process and the operation of this Organization.

12.28. Hong Kong, China mentioned that it has proposed solutions. However, the proposed solutions were not in line with the spirit of the general principles and practices. Regarding its proposal of restarting the election, as other Members have pointed out, the selection process was conducted by the Committee's previous chair with highest extent of fairness, impartiality, transparency and integrity. There is lack of any justifiable reason to restart the process all over again.

12.29. Regarding Hong Kong, China's suggestion of having a WTO official to serve as a Chair, it is neither appropriate, nor in line with the CGP's practices.

12.30. The CGP Chair's election is different from all other Committee Chairs' selection. The CGP Chair's election includes the following well-established detailed procedure: First, the incumbent Chair announces the commencement of the election process and invite interested candidates to register. Second, interested candidates from GPA Parties will register for election. Third, the registered candidates are given a period of time to outreach every GPA Party to present their visions and plans for the works of the Committee. The candidates also have to answer the Parties' questions during their presentation and interview. Fourth, the incumbent Chair will conduct consultations with each and every Party to identify which candidate receives most support. The information collected by the incumbent Chair serves as the basis for his or her proposal on the appointment of the new Chair of the CGP. And finally, the other competing candidates withdraw from the process to allow the Committee's adoption on the appointment of the new Chair.

12.31. There is no other WTO Council or Committee having a similarly detailed process for the selection of their respective Chairs, neither has there been any previous practice having a WTO official serving as an interim Chair, which is supposed to be elected through such strict election process.

12.32. In the most recent ad-hoc CGP meeting held on 6 October this year, we proposed a solution, i.e., the elected candidate from our Mission serves as the Chair and a colleague from Hong Kong, China serves as a Vice-Chair. Our suggestion received wide supports from other GPA Parties and is recognized as a solution to resolve the impasse, while still maintaining the integrity of the result of the election process. With Hong Kong, China's concern in mind, we proposed such solution with good faith to facilitate consensus. We hope Hong Kong, China will consider our suggestion and join the consensus so that the Committee can have a Chair as soon as possible and will function again.

12.33. The representative of Hong Kong, China delivered the following statement:

12.34. I thank Chinese Taipei for its latest proposal of inviting Hong Kong, China as CGP's Vice-Chair if it becomes the Chair, which was first conveyed to us at an ad-hoc informal meeting held just before this General Council meeting. We are still deliberating on the proposal with our colleagues in capital, but I note that the proposal would involve creating a new post – Vice-Chair – in the CGP, which has not been formally deliberated among committee members.

12.35. I wish to point out that Hong Kong, China does not support designating Chinese Taipei's candidate as the next CGP Chair because of consideration of the broader interests of the WTO, not because Hong Kong, China was interested in the CGP Chair post or any new post to be created. From Hong Kong, China's perspective, the proposal may not be able to address the issue before us.

12.36. The representative of Japan delivered the following statement:

12.37. Japan regrets that Hong Kong, China, intervened to block the consensus again at the informal meeting of the Committee on Government Procurement that took place on October 6 to discuss the selection of the new Chair. GPA Parties have important issues to discuss in the Committee on Government Procurement, including that of Member accession. The Committee's function must not be disrupted.

12.38. As only the Parties to the GPA are entitled to participate in the Committee's process of selecting a new Chair, we believe there are no grounds to the claim made at the previous meeting that the Parties need to consider the sensitivities of non-Parties. The advancement of accession negotiations with the Parties is solely dependent on the market access offer from an applicant Member. We believe that the Chair can be selected from any Party without this having any negative affect on the accession process.

12.39. We would like to stress that the Chair for the Committee on Government Procurement must be selected based only on the merits and qualifications of the candidate. All the Parties, except for Hong Kong, China, are of the view that the only remaining candidate is qualified to serve as Chair. However, Hong Kong, China, has not explained the reason why it believes that selecting the candidate will not be conducive to the Committee's work. We urge Hong Kong, China, to reconsider its position and join the consensus as soon as possible.

12.40. The General Council took note of the statements.

13 APPOINTMENT OF OFFICERS TO WTO BODIES - REPORT BY THE CHAIR¹³

13.1. The Chair recalled that the appointment process for Chairs of CTG subsidiary bodies had been particularly challenging this year. At the request of Members, he had undertaken consultations as GC Chair to find a solution to the impasse, and the issue had been resolved at the July meeting of the General Council.

13.2. As part of the agreed solution, it had been decided that he should urgently begin consultations on the overall process of the appointment of officers in his capacity as General Council Chair. In this

¹³ The Chair's statement was circulated in document JOB/GC/277.

regard, he had invited all interested delegations for consultations on 13 September. Thirteen delegations, including all the regional group coordinators, had come forward to share their views. The Chair thanked all of them for their useful suggestions and constructive engagement.

13.3. During those consultations, most Members had expressed that the Guidelines for Appointment of Officers in WT/L/510 remained a good foundation for the appointments process. They continued to see value in the principles enshrined therein, including transparency, overall balance of representation and the "housekeeping" nature of the process. Several Members had also noted that those Guidelines should not be re-negotiated.

13.4. At the same time, Members had also stressed that, despite the Guidelines, they had often confronted issues in appointing Chairs in WTO bodies under the General Council – the so-called "tier one" – as well as in the CTG and CTS subsidiary bodies – the "tier two". Issues had also been raised in past years: for instance, back in 2012, an intensive process of consultations had been undertaken by the then General Council Chair, which had resulted in the "Practical Steps to improve the implementation of the Guidelines" in JOB/GC/22. Again, in 2016, the General Council had discussed similar issues which had resulted in an early start of the process and a tutorial by the then General Council Chair on the Guidelines and Practical Steps.

13.5. In the consultations he had conducted, the Chair had heard some recurring themes and he had have taken note of some useful suggestions from Members that built on the Guidelines and Practical Steps that could help address issues. These were mainly in three areas: (i) transparency and process; (ii) rotation; and (iii) representation.

Transparency and Process

13.6. On transparency and process, concerns had focused on a perceived lack of transparency as a source of the difficulties faced during recent appointment cycles. Suggestions had been mainly made to de-mystify the process.

13.7. As a way forward, several delegations had suggested that the selection committee report to all delegations at each stage of the process through a written communication. This should include proposed nominations, as well as any understandings. On this point, the Chair recalled that all delegations, not just group coordinators, could come forward and consult with the selection committee.

13.8. The Chair also recalled that, as part of their role, regional coordinators were responsible for updating their Members of their consultations, relaying their group's concerns to the selection committee, ensuring a smooth transition between the outgoing and the incoming coordinator and settling internal issues within their groups.

13.9. Still on process, a number of Members had suggested that, for purposes of paragraphs 7.1 (a) and 7.3 of the Guidelines, the process of appointment of officers should start earlier, possibly at the end of each year, and that the appointment process for the so called "tier two" – that is the subsidiary bodies of CTG and CTS in Groups 6(A) and 6(B) of the Guidelines, should start at the same time as the one for "tier one", that is the General Council and its subsidiary bodies groups, in 1, 2, 4 and 5 of the Guidelines. Suggestions had been made that both processes should be concluded and agreed by the first General Council meeting of the year.

13.10. Specifically, on the Appointment of Chairs of CTG and CTS subsidiary bodies, suggestions had been made that the list of candidatures should be received before the end of the year, and also that Chair nominations for these bodies should be proposed by the respective Committees.

Rotation

13.11. Some Members had expressed concerns about the practical implementation of the principle of rotation, particularly with respect to the rotation between developed and developing Members. The Chair recalled that rotation was based on the principle of finding an overall balance of representation.

13.12. Following the history of appointment processes, it would be noted that only two WTO bodies – the General Council and the Dispute Settlement Body – had strictly rotated between developed and developing Members. Some delegations had suggested that the rotation for the General Council and the Dispute Settlement Body should instead be among the four groupings – therefore with developed Members, Africa, Asia and the Pacific and Latin America and the Caribbean alternating.

13.13. Another suggestion made had been to apply strict rotation among the four groups in all WTO bodies and to earmark a fixed number of WTO bodies to each group per cycle depending on the group's size.

Representation

13.14. Another recurring issue was related to Members who were not part of any regional group. Some had suggested that those Members could form their own group. Meanwhile, others had expressed reservations. This was an issue that required further reflection with a view to finding a solution for those Members that did not have regional representation.

13.15. Other delegations had suggested that those Members could be a part of their group.

13.16. The Chair also reminded delegations that those Members had the right to consult with the selection committee at any point, and they could certainly submit their own candidature. There were precedents in recent appointment cycles where Members not belonging to any group had been elected as Chairs of regular bodies.

Other Matters

13.17. Several Members had also referred to the need to reaffirm some specific points that were already enshrined in the Guidelines and the Practical Steps. Those included the "housekeeping" nature of the process, exercising restraint in blocking consensus, highlighting the qualifications and requirements for appointment, particularly paragraphs 2.2 and 2.3 of the Guidelines, taking into account Members' sensitivities, and addressing conflict of interest, among others. On the latter, a suggestion had been made that regional coordinators should not put forward candidatures for their delegations to avoid any conflict of interest.

13.18. Other suggestions had also been put forward. For instance, a suggestion had been made by one delegation to have Vice Chairs for subsidiary bodies or at least for the most active ones – as was already the case for some; others mentioned re-vamping the regional groupings and applying the Guidelines to Plurilateral Agreements, among others. Strong reservations had been expressed by some Members on those points I mentioned.

13.19. More detailed suggestions had been provided as well by individual delegations, particularly on the process. The Chair's report had covered the main, recurring themes that he had heard from Members. As a Member-driven organization, the shape of the way forward would depend on Members. But one thing was clear. There was a need to find a mutually agreeable way forward. And the report, which was based on Members' suggestions, coupled with Members' interventions, could form a foundation to facilitate the resolution of the matter. Looking ahead, the Chair noted the need to make progress by the next meeting of the General Council so that any solution could be implemented in the next appointment cycle which, as delegations had stressed, should start earlier. With that in mind, he intended to continue consultations in a range of formats, including in groups. To ensure transparency and inclusiveness, he would keep all Members regularly updated on this process.

13.20. The representative of India delivered the following statement:

13.21. Thank you Chair for your statement and for initiating this process to review the existing guidelines at the request of my delegation and also others. As we had stated in our intervention on this issue at various fora, the current process is arbitrary and lacks transparency. It also does not ensure proper rotation of Chairs and does not always achieve balanced representation of Membership from different groups. The lack of clear-cut guidelines has also allowed side deals among the facilitators/office bearers, which the rest of the Membership are not aware of. Therefore, during the

consultations we had provided you with some suggestions and ideas, both orally and through written submission, for the benefit of larger membership. I wish to highlight some of them:

Representation

13.22. The representation for each group in a year should be prefixed depending on the size of the group, namely, Developed, AGDC, GRULAC, Africa and countries which do not fall in any of these groups.

Rotation System

13.23. The Chairmanship of each Committee should sequentially rotate between different groups. The current practice of Developed Group alternating with the other regional groups should be done away with. This amounts to reverse S&DT for developed countries.

13.24. If any group is not interested to stake its claim over the Chairmanship of a particular Committee for that year, then it will automatically go to the next group in a sequential manner. The same should be announced to all the Members. A Group can switch/swap the membership of a Committee with another interested Group, with such arrangements being informed to the Membership in a transparent manner. If a group foregoes its chance of a particular Committee during the year in which its turn was, nor enters into a reciprocal arrangement with another Group, then it will forfeit its representation for that year and it would have to wait for its next turn only after the rest of the groups have had their chance.

13.25. If any Group does not send nominations for the Chair of a particular committee for which it's turn was nor is exchanging it with other Group, then that position should be offered to the next Group in the second stage of selection process. This process can be repeated till we find a candidate from a regional group for the Chair.

Transparency

13.26. At every stage of the selection process, there should be a clear-cut communication process for the benefit of Members for transparency. The full list of Chairmanships on offer, including for which groups, should be published right at the beginning of selection process. The Regional Coordinator shall provide the initial slates of vacancies available to the group, the nominations received, the internal process on handling multiple nominations within the group. Once the negotiations are completed within the Group and list of nominations finalised, then only the RC shall provide the nominations to respective office bearers for finalisation. Regional Coordinators shall initiate similar round of consultations within the Group for vacancies not filled in the first round due to non-receipt of nominations, and has been offered to the Group in the second subsequent rounds.

13.27. There should be clear process for handing over of the selection process matter between incoming and outgoing Chairs of different bodies, under supervision of the GC Chair. If there are any understandings, agreements reached between Members during the select process in a given year, either within their Regional Groups or between Groups, for future years, the same should be brought to the attention of the Members in a clear and transparent manner, with the cognisance of the GC Chair. Otherwise, such understandings are deemed to be null and void.

Conflict of interest

13.28. The Regional Coordinators should not be nominating either themselves or their country delegates for Chairmanship of any Committees during their role as Regional Coordinator. If they wish to nominate themselves or their country delegates for Chairmanship(s) during a particular year, then they need to recuse themselves of the Regional Coordinator role during that period.

13.29. The representative of the European Union delivered the following statement:

13.30. The European Union thanks the Chair for his engagement. We have suggested ways of improving the procedures of appointment of officers. We understand there could be two options: either to 'renew our vows' and apply more discipline to agreed procedures; or to have a bottom up approach of selecting chairs in Committees themselves. It seems the preference of most is to build

on the procedures that have been agreed in the past. The European Union looks forward to working with the chair to find a way forward.

13.31. The representative of the Russian Federation delivered the following statement:

13.32. Thank you, Chair for your active participation in the process of reforming elections to the WTO subsidiary bodies. Russia is an active contributor to this process. We promptly submitted our proposals to the Chair for consideration. We suggest that existing rules of procedures governing the election process will not be revised, but their implementation is improved, so that basic principles of these rules become more visible, operational and effective. Thus we propose, without changing laws, to improve law enforcement practice.

13.33. In particular, our proposals relate to earlier start of accumulating bids for the chairperson positions and internal group consultations; introducing two-year slate of names, which will legitimize promises to secure chairmanship in a WTO working body in the following year for the Member withdrawing its nomination in the current year; highlighting the inadmissibility of politically motivated objections to a candidate and reminding that we elect persons, not WTO Members; mandatory vice-chairperson election for all WTO bodies who steps in if current chairperson is not able to fulfil his/her responsibilities.

13.34. Some of these ideas were mentioned at the informal GC meeting the 29th of July. It's regrettable that while the delegation of India requested these interventions to be included into the minutes of the formal General Council meeting of the same day, not all of them appeared in those minutes. We hope that all statements would be used as additional feedback in the Chairs consultations. We hope that you, Chair will bring this process to its logical conclusion and we will be able to carry out the next round of elections without hindrance and blocking consensus, including politically motivated ones.

13.35. The representative of Mauritius, on behalf of the African Group, delivered the following statement:

13.36. I want to say that you have done a lot of work on this, Chair, and we really appreciate the fact that this work is being carried further and that there will be more consultations. We look forward to working with you. We reiterate what we have said before, that the Guidelines we have in front of us have been quite good, but we need to be practical in approach when we are dealing with appointments. It is not a negotiation and it should reflect the diversity of the Membership. We should remain guided by that in the spirit of cordiality that we all work together to have the best people representing us as Chairs of Committees. We look forward to looking both at the practical aspects and also the Guidelines, which deserve some more polishing.

13.37. The General Council took note of the statements.

14 COMMITTEE ON BUDGET, FINANCE AND ADMINISTRATION - REPORT ON THE MEETING OF JULY 2021 (WT/BFA/197)

14.1. The Chair drew attention to the report from the Committee on Budget, Finance and Administration in WT/BFA/197.

14.2. Ambassador Bettina WALDMANN (Germany), Chair of the CBFA provided the following statement:

14.3. My remarks will focus on key issues discussed at the meeting of the CBFA held on 12th July 2021. The report of that meeting is contained in document WT/BFA/197. In particular, I will provide some highlights of the carry-over of conversations from the meeting, including progress made at the CBFA meeting held on 23 September.

WTO 2022-2023 Budget Proposal

14.4. As I mentioned when we last met, a key priority is to ensure the timely passage of the 2022-2023 WTO and ITC budget proposals. In this regard, I am pleased to report to you that the

Committee has endorsed the ITC 2022-2023 budget, in principle. However, this endorsement is contingent upon the approval of the WTO budget.

14.5. For its part, the WTO budget proposal continues to be under consideration by the Committee. Some progress has been made. It would be a big success if the Committee can endorse the budget at its next meeting scheduled to be held on 22 October. This would allow sufficient time, for the General Council to approve the 2022-2023 WTO and ITC budget proposals in November, before MC12. I hope the entire Membership will support this goal. This would serve a strong message of support for the multilateral trading system – and help create much needed positive momentum ahead of the Ministerial Conference. It would also help to secure, in a timely manner, continuation of the work of the WTO Secretariat for the benefit all WTO Members, including developing countries. As I indicated earlier, I plan to hold informal consultations with delegations to help reach this goal.

2020 WTO Financial Performance Report and transfers between budgetary sections

14.6. As a separate matter, I am pleased to report that the CBFA has endorsed (at its meeting held on 23 September) the WTO Audited Financial Statements for the year ended 31 December 2020. The Committee has also endorsed the transfers between budgetary sections outlined in paragraph 2.33 of document WT/BFA/W/560/Rev.1. These transfers are necessary to cover excess expenditure over approved appropriations by using savings from other budgetary sections. Both items will be submitted to the General Council for approval at its next formal meeting.

Coherence in the Establishment and Management of WTO Trust Funds

14.7. Moving on, you will recall that another important priority area of work for the CBFA relates to the establishment and management of WTO Trust Funds. Conversations are continuing in a small group process, which is open to all delegations. Discussions are also underway in the formal Committee on revisions to Financial Regulation 19 (regarding voluntary contributions to the WTO and trust funds). The issues at stake are multi-dimensional and complex. The CBFA reviewed a progress report by the Working Group at its meeting on 23 September. It is my hope that further progress can be made, and the Group will be able to report back to the CBFA with recommendations at a later point in time.

Revisions to Financial Regulations

14.8. There is also the question concerning the approval by the General Council of the revisions to Financial Regulations 4, 17, 26, 27, 29, 37, 38 and 42 that were agreed in 2019, three years ago. At the meeting of the CBFA held on 12 July, I summed up my understanding, that there is no disagreement with respect to the revisions to those Financial Regulations. Moreover, Members have agreed on revisions to Financial Regulation 23 (which concerns use of any budgetary surpluses). Those revisions can therefore be reflected in the package of Financial Regulations to be submitted to the General Council for approval. However, more time is required for discussion of revisions to Financial Regulation 19 which I referred to earlier.

14.9. Looking ahead it is my hope that the Committee will soon be in a position to submit a revised package of Financial Regulations to the General Council for approval.

Proposed Utilization of the 2020 Budgetary Surplus – WT/BFA/W/565

14.10. Another matter that continues to be under consideration by the Committee relates to proposed utilization of the 2020 Budgetary Surplus, of approximately CHF 11.7 million. I look forward to reporting on progress at the next meeting of the General Council.

Structural Review of the WTO Secretariat

14.11. Let me also mention the issue of the structural review, as this is one of the key issues going forward for both the WTO Secretariat and for Members. I would also like to thank the DG for the update she provided at the informal TNC meeting held on 30 September, and I would like to encourage the Secretariat to build further on this practice going forward.

14.12. The General Council took note of Ambassador Waldmann's statement and adopted the report in WT/BFA/197.

15 OTHER BUSINESS

15.1. The Chair recalled that the General Council Procedures for Members and Observers subject to Administrative Measures 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 would provide information with regard to which Members and Observers were under Administrative Measures.

15.2. Ambassador Bettina Waldmann (Germany), Chair of the CBFA, provided the following statement:

15.3. The administrative measures applicable to Members and observers with arrears and contributions have been in place since 1 March 2013. In accordance with the decision of the General Council I shall state all Members and observers under all categories of administrative measures. As of 7 October 2021, there were 18 Members and 8 Observers under administrative measures. Members in category 1, the following 7 Members are currently in category 1: Belize, Djibouti, Gabon, Mauritania, Papua New Guinea, Suriname and Yemen. Members in category 2 are Cuba and Guinea. Members in category 3, there is a subdivision of Members that are not complying with the payment plan terms, so first the Members that are in arrears that are: Antigua and Barbuda, Congo, Democratic Republic of Congo, Senegal and Bolivarian Republic of Venezuela. Those Members that are not complying with the payment plans are the following: Burundi, Central African Republic, Chad, Guinea Bissau. Observers in category 1 are the following four: Comoros, Iran, Iraq, Sudan. Observers in category 2, there is only one, that is Syria. Observers in category 3: Libya, Sao Tome and Principe, Somalia.

15.4. The representative of Cuba delivered the following statement:

15.5. At previous meetings, we have confirmed the strong will of my country to meet its financial commitments on the international stage, including those to the WTO budget. Today, I reiterate that statement. A number of Members have highlighted the negative impact on our economies caused by the pandemic, Cuba has also suffered from this. In our particular case, the situation has been aggravated by the economic, financial and trade blockade imposed by the United States for more than 60 years. This embargo has intensified during the pandemic and has a notable impact on the financial sector. We have seen finance and other forms of sanctions against banking institutes abroad who have conducted operations with Cuba, meaning that any transaction with Cuba has become more expensive and more complicated as a result of these coercive measures. In recent days, my country has been able to meet a part of its commitments through many operations in Swiss banks, due to the extraterritorial impact of these measures. We are days from the Ministerial Conference and you are working very hard on a possible outcome document. I invite you to consider the inclusion of the effect of these measures on the normal trade relations among Members. It would be an important contribution.

15.6. The General Council took note of the statements.

ANNEX 1

STATEMENTS BY THE CHAIR OF THE GENERAL COUNCIL; H.E. CHOGUEL KOKALLA MAÏGA, PRIME MINISTER OF THE REPUBLIC OF MALI; H.E. HAROUNA KABORE, MINISTER OF COMMERCE, INDUSTRY AND HANDICRAFTS OF BURKINA FASO; AND THE DIRECTOR-GENERAL ON THE OCCASION OF WORLD COTTON DAY ON 7 OCTOBER 2021

STATEMENT BY AMBASSADOR DACIO CASTILLO, CHAIR OF THE GENERAL COUNCIL

It is a privilege and an honour to warmly welcome to this session of the General Council the Honourable Prime Minister of the Republic of Mali, Choguel Kokalla MAÏGA, who is making a special visit to Geneva on the occasion of World Cotton Day. He is accompanied by the Honourable Minister of Rural Development of Mali, Modibo KEÏTA; and the Honourable Minister of Industry and Trade of Mali, Mahmoud OULD MOHAMED. Your presence here today, Excellencies, is a sign of the importance that Mali attaches to the WTO and to the work of this organization. Mr. Prime Minister, we look forward to hearing your address to the General Council.

I likewise warmly welcome the Honourable Minister of Industry, Trade, and Handicrafts of Burkina Faso, Harouna KABORE, C-4 coordinator. May I also acknowledge the presence of the C-4 Delegations who are here with us today to commemorate World Cotton Day. Welcome, your Excellencies. Your contributions to the work of this organization especially in promoting the cause of cotton are highly commendable.

And as we speak of contributions to this organization, let me also welcome the Director-General of the WTO, Dr Ngozi Okonjo-Iweala who has joined us this afternoon.

On this day, I would like to congratulate the C-4 on the UN Resolution recognizing the 7 October as World Cotton Day. On behalf of the General Council, I commend the efforts of the C-4 in this regard and in advocating the cause of cotton and of those whose livelihoods depend on this sector.

With these words, it is with great pleasure that I would now like to invite Prime Minister MAÏGA, to proceed to the lectern to address this General Council meeting.

Thank you very much Minister Kabore for your address to the General Council. Excellencies, your support, especially as we head towards MC12, is both well appreciated and much needed. I commend the work of the Cotton 4, the rest of the Membership and stakeholders who have been contributing to these efforts since the launch of the cotton initiative in 2003.

I understand that the Director-General, Dr Ngozi, wishes to take the floor at this point.

Thank you, Director- General, for your words. I also would like to thank the Honourable Prime Minister MAIGA of Mali, Minister KABORE of Burkina Faso, Minister Keita, Minister Ould Mohamed and their entire delegations for their visit and their address. We thank you for your participation.

STATEMENT BY H.E. CHOGUEL KOKALLA MAÏGA, PRIME MINISTER OF THE REPUBLIC OF MALI

It is my honour to take the floor this morning on behalf of the transitional President of Mali, Head of State, His Excellency Colonel Assimi Goïta and on behalf of the people of Mali and its Government to convey our sincere gratitude to the Secretariat of the World Trade Organization (WTO) for holding this third World Cotton Day, in spite of the current health situation, which is still a serious cause for concern.

I would then like to extend my thanks to the Secretariats of the sister organizations of the WTO, such as the United Nations Food and Agricultural Organization (FAO), the United Nations Conference on Trade and Development (UNCTAD), the International Trade Centre (ITC), the International Cotton Advisory Committee (ICAC), as well as the whole of the General Council for the particular interest and continued attention devoted to the emblematic cotton dossier at the WTO for nearly twenty years.

By responding positively to the initiative of the C4 (Benin, Burkina Faso, Mali and Chad), the WTO and partner institutions are showing their support for our countries' efforts to better integrate our economies into the multilateral trading system, a system which we aspire to see inclusive, transparent and based on rules that are followed by everyone.

We will never tire of saying how crucial it is to comply with these principles in order to promote trade and investment, and ensure that our countries achieve sustainable development.

Mali, as part of the C4, is fully committed to working towards strengthening this multilateral system. My country is also totally committed to action, particularly that aimed at concrete and measurable outcomes that are likely to have a significant impact on the living conditions of millions of people who are, regrettably, still unable to fully enjoy the benefits and opportunities provided by international trade.

I stand before you today to deliver a message from the cotton growers of Mali, and more generally, from their brothers and sisters in the other C4 countries and least-developed countries (LDCs). I do so with a tinge of bitterness but also with hope.

I am bitter as a former Minister of Industry and Trade of my country. In this position, as spokesperson for the C4 countries, I had the honour of pleading the cause of African cotton at the WTO Ministerial Conference held in Cancún, Mexico, in 2003.

That Conference did not live up to our expectations, but Cancún will forever remain the starting point for the powerful appeal that brought together the forces of the co-sponsors of the Sectoral Initiative in Favour of Cotton - Benin, Burkina Faso, Mali and Chad.

These countries, considered the goliaths of cotton growing in Sub-Saharan Africa, succeeded for the first time to get the entire international community to rally around their cause and to bring the issue of cotton to multilateral negotiations with conviction, commitment and methodology.

Since that time, a lot of water has passed over the Niger River in Bamako and also under the bridges that span Lake Geneva, but our farmers' hopes for a better life have yet to come true. This was due at times to a lack of brave political decisions, and at other times to non-compliance with commitments.

What indeed was the request of the farmers of Sikasso in Mali, or Bobo-Dioulasso in Burkina Faso, or even of Banikoara in Benin or Sarh in Chad? They did not ask for charity. They did not ask for pity or commiseration from the bigger players. They asked for justice, justice that is incompatible with trade-distorting domestic support.

Because our farmers' complaints fell on deaf ears, our countries have seen a decline in resilience, and our cotton zones have become routes for migration and rural exodus, with the ensuing procession of tragedies in the Sahara and the Mediterranean Sea.

Despite the bitter aftertaste of unfinished business, I still have hope; the farmers of Mali, of Africa and of LDCs still have hope that the multilateral forums will grant them their just rewards for their relentless work.

The fact that the General Assembly of the United Nations - at its 75th session held on 26 August 2020 - proclaimed 7 October as World Cotton Day is, in this respect, full of meaning and brings new hope to the 36 African cotton-producing countries and the 25 million cotton growers. We choose to believe that World Cotton Day will bring about a new era of solidarity and renewed moral obligation on the cotton issue.

Beyond providing hope, you must make clear your political will to ensure that the forums in which you made commitments are not simply missed opportunities in the history of the world. In particular:

- The Hong Kong Ministerial Conference held in December 2005, when the commitment to address the cotton issue "ambitiously, expeditiously and specifically" was reaffirmed. This mandate has yet to be applied to this day.
- The Bali Ministerial Conference held in December 2013, when the principle of specific decisions on cotton was recognized. This mandate has not been applied to this day either.
- The Nairobi Ministerial Conference held in December 2015, when a package containing a series of measures was adopted. This led to high hopes, all of which were shattered at the Eleventh Ministerial Conference which took place in Buenos Aires in December 2017.

In other words, ladies and gentlemen, since Cancún 2003 – 18 years ago – an issue recognized as urgent and vital has been placed on the WTO's negotiating agenda with a view to finding appropriate and correspondingly urgent solutions as rapidly as possible. Some Members could barely be bothered to react to the plea and distress call from the cotton producing and exporting communities in the least-developed countries, especially African countries.

This is the current situation despite the energy of African leaders, civil society and farmers' associations in various forums around the world, and despite all the sound reasons that make the case for African cotton.

Why do we set such great store by our cotton? In the whole of Africa, cotton accounts for close to 12% of GDP and 70% of agricultural revenue. The sector also employs over 80% of the active population in cotton zones. All in all, 65% of African countries produce and export cotton, as do other developing and least-developed countries in Asia, Latin America and the Caribbean.

This African cotton, despite the intrinsic properties of its fibre, faces strong competition due especially to the domestic support – estimated at USD 5.9 billion - that certain rich countries granted their producers in 2019-2020.

As for my country, Mali, I reiterate that some four million people depend directly on cotton production for their livelihood. This white gold accounts for 11.3% of our export revenue and 3.7% of GDP. In other words, cotton is a strategic product for our economy. It is a commodity, a generator of growth and a provider of jobs and revenue that is able to help our countries fight poverty more effectively, particularly in rural areas and within disadvantaged communities.

We cannot discuss cotton without evoking our farmers and their bareness, farmers who often do not have decent living conditions between cotton campaigns. We must also evoke the chores of female farmers, who will not know the empowerment advocated by international forums for as long as the subsidies persist. We also evoke, with concern, the future of the children, for whom education is becoming a luxury because of the scarce means of their farmer parents.

We keep talking about African cotton to underline the strenuous work involved in growing this crop. To illustrate the daily lives of our cotton growers, picture the courageous women, men and elderly people who relentlessly plant by hand – I repeat, by hand – cotton fields in vast plains; who manually tend to cotton plants from dawn to dusk, in the rain, under the burning sun, in windy weather and during tropical storms; and who also hand-pick the cotton, boll after boll, carefully, relentlessly.

These men and women are waiting for you, ladies and gentlemen. Not only are they submitted to this injustice, apparent to all, of the subsidies paid to their competitors, but they are endlessly exposed to the instability of international market prices, the negative impacts of climate change and the unexpected and devastating consequences of the COVID-19 pandemic.

We have high hopes that the WTO Members will seize the opportunity of the Twelfth Ministerial Conference next month to finally give a fair and appropriate response to the Hong Kong mandate of December 2005 on cotton, and specifically on the third pillar of the negotiations, on "domestic support".

You will remember that, regarding the three agriculture pillars under negotiation you, the WTO Members, decided on 19 December 2015, in Nairobi, to provide "duty-free and quota-free market access for cotton and cotton-related products originating from LDCs" as from 1 January 2016.

The commitment, certainly laudable, was then to contribute to formulating "multidimensional and integrated" programmes and projects at the regional and subregional level, participating in the promotion of the cotton sector in the LDCs.

Solutions and answers to the thorny issue of cotton should enable the LDC producers and exporters to turn trade into a proper tool in the fight against poverty and in favour of sustainable development.

This is, without a doubt, the best way of translating paragraph 24 of the Nairobi Ministerial Declaration into action in order to facilitate the integration of the LDCs into the multilateral trading system.

It is now time to be bold, bold about keeping promises and bold about consolidating universal efforts to attain the 17 Sustainable Development Goals (SDGs) by 2030, fleshing out the commitments entered into freely in 2005 in favour of cotton in our countries.

You should renew and keep these commitments because even today, and notwithstanding all of the C4's efforts, more than 70% of cotton production receives domestic support, granted mainly by the developed countries and the developing countries of the WTO. This practice results in cotton price distortions every bit as much as export subsidies or any other such trade practice.

We, the C4 countries, are not asking on behalf of ourselves and of all the LDC producers and exporters of cotton, for charity or for any particular favour. All we are asking for is the application of international trade rules, which allow all the stakeholders of the cotton sector to earn their rightful share, regardless of country of origin. Simply their rightful share. We are asking that you breathe new life and hope into the cotton sector, which is dying a slow death in the LDCs.

I repeat, the subsidies that certain States grant their producers are killing the rules. You are all aware of this.

Would not the most generous development assistance that we could receive be that you respect, in a fully transparent manner these rules and principles which have already been defined, so that our populations can derive a decent and dignified living from their labours, as everyone is entitled to?

If we are not careful, in a not-so-distant future, thousands of our producers will be forced to abandon cotton production because of persistent inequality in international trade, as it will not seem sufficiently profitable in the long term.

Need I remind you that in Mali, before this year's expected rebound, the farmers had recently decided, with a heavy heart, to defer cotton cultivation and replace it by other crops, such as cereals?

I wish to pay tribute here today to the resilience of our farmers, especially our cotton growers.

Despite their difficult working conditions and the bottlenecks that I described earlier, farmers carry with all their might the fragile growth of our economies. The Malian cotton producers that I met during my first visit throughout my country last August have promised record cotton production at the end of the current crop year. Can you imagine their performance and macroeconomic implications if international trade were fairer and more attractive?

It is our responsibility to build genuine cotton value chains that are profitable to agriculture in general, across crops and productions. For that matter, the policy on the balanced development of the primary sector, set out by the Government of Mali, points in that direction.

Mali is an agro-sylvo-pastoral country. It is a rural country which aims to become an agricultural power in West Africa by drawing on its water potential, its available arable land and its favourable climate. To succeed however, we must mitigate constraints due to climate change, address the security crisis, but also tackle the challenges resulting from subsidies.

I would like to conclude by reiterating our strong call for the immediate reaction of all the WTO Members in order to implement tangible solutions within the ongoing negotiating process, to preserve and promote our cotton sectors, of which the strategic importance is abundantly clear.

I would like to especially urge you, at the Twelfth Ministerial Conference, to support and adopt the draft Ministerial Decision prepared and submitted by the C4 countries.

A significant outcome in the current negotiations on domestic support for cotton would then be a strong signal and great accomplishment of the Twelfth Ministerial Conference, which will have reached its goals by planting the seeds of moral obligation supported by this year's World Cotton Day.

On behalf of all the cotton producers in Benin, Burkina Faso, Mali, Chad, and the LDCs, I thank you for your kind attention.

**STATEMENT BY H.E. HAROUNA KABORE, MINISTER OF COMMERCE, INDUSTRY AND
HANDICRAFTS OF BURKINA FASO**

I am making this statement on behalf of the group of four co-sponsors of the Sectoral Initiative in Favour of Cotton (C4) and the Republic of Côte d'Ivoire, and all 36 African countries that produce and/or export cotton and cotton by-products.

This meeting of the General Council is taking place in a special context for the C4 countries and other cotton-producing countries around the world.

On 30 August 2021, the United Nations General Assembly adopted by consensus a resolution (A/RES/75/318) proclaiming 7 October as World Cotton Day. This marked the end of a process that began in 2019 at the initiative of the C4 Group, with the support of all its partners.

As it is 7 October 2021, an important date for cotton, I would like to take this opportunity to thank all Members for their support in adopting this resolution and you, Mr Chair, as well as the Chair of the Committee on Agriculture in Special Session and the Director-General of the World Trade Organization (WTO), for your tireless efforts for the cotton cause.

I would also like to thank the International Trade Centre (ITC), the United Nations Conference on Trade and Development (UNCTAD), the International Cotton Advisory Committee (ICAC), the Food and Agriculture Organization of the United Nations (FAO) and all the agencies involved in organizing activities to celebrate this day.

The vital importance of the cotton issue for the economies and populations of cotton-producing and exporting African countries and, in particular, least-developed countries (LDCs), is widely recognized.

The cotton sector plays a crucial role in achieving the Sustainable Development Goals (SDGs), particularly in the fight against poverty, and contributes substantially to food security in cotton-producing and exporting African countries and LDCs. It also contributes to the economic empowerment of women and young people in both rural and urban areas.

However, it should be noted that domestic support continues to seriously disrupt world cotton prices and that one of the main consequences of this disruption is the significant loss of income suffered by millions of people in cotton-producing and exporting African countries and LDCs. These problems are exacerbated by the effects of the COVID-19 pandemic on the cotton sector and the security crisis in some C4 countries.

Consequently, the C4 countries reaffirm their concerns at the lack of substantial outcomes in the multilateral trade negotiations on domestic support for cotton, despite the mandate issued in December 2005 in Hong Kong.

The C4 reiterates the pressing demand of several countries that produce and export cotton and cotton-related products to reach a concrete and fair agreement with a view to eliminating the distorting effects of all forms of support for the cotton sector.

Furthermore, the C4 urgently calls upon all WTO Members granting domestic support with trade-distorting effects on the international cotton market to strive for further progress in the work on cotton and to notify, on a regular basis and to ensure transparency, up-to-date information on the domestic support granted to their cotton producers, in order to effectively meet the objectives set for this vital issue.

The C4 expresses its gratitude to the South-South, North-South, bilateral, regional and multilateral development partners for their support for capacity-building activities with respect to the production, processing and exportation of cotton and cotton by-products in African countries, in LDCs and, in particular, in the C4 countries.

The C4 re-extends the invitation to all the development partners to contribute to the implementation of the integrative and regional programme, most notably the "Cotton Roadmap" programme, so as to ensure the development of value chains in the cotton sector in the beneficiary countries, with a

view to making this sector a true instrument for creating jobs, combating poverty and improving food security, and for sustainable and inclusive economic and social development.

The C4 remains committed to concluding the Doha Round of negotiations, taking account of the legitimate concerns of developing countries and, in particular, those of LDCs, which include several African countries, notably the C4.

The C4 reaffirms its willingness to continue discussions on reforms in the cotton sector and its support for the preservation of the multilateral trading system based on WTO rules.

Before I conclude, I would like to cordially invite you to take part in the third International Cotton and Textile Fair (SICOT), set to be held on 27 and 28 January 2022 in Koudougou, Burkina Faso. It will be a real forum for discussion and reflection on the issues and opportunities in the development of the African cotton value chain.

STATEMENT BY THE DIRECTOR-GENERAL DR. NGOZI OKONJO-IWEALA

Thank you, Chairman. Your Excellency Choguel Kokalla Maïga, Prime Minister of the Republic of Mali and the Mali delegation, your Excellency Harouna Kabore, Minister of Industry, Trade and Handicrafts of Burkina Faso and Burkina delegation, I would like to thank you for your presence amongst us today, and also for your comments which remind us why cotton is so important, and how the WTO can contribute to improving both the lives and livelihoods of millions of individuals in your countries and elsewhere. First of all, I would like to congratulate you Mali, Burkina Faso, Chad, Benin and Cote d'Ivoire on the adoption by the United Nations General Assembly of a Resolution that you proposed which officially recognizes the 7 October, as you said, as World Cotton Day.

For me as an African woman and a consumer of cotton I am very happy about that. This Resolution highlights the fact that cotton is more than a simple textile or fibre that is used to make our clothes. Cotton and its by-products are processed, transformed, and traded everywhere. Cotton is grown in over 75 countries across five continents. The livelihoods of over 100 million people are linked to the sector. In many least developed countries, cotton is central to job creation and economic stability. The COVID-19 pandemic had an impact on every sector of the global economy, and the cotton sector is no exception. The pandemic has led to the most accelerated slump in cotton prices since many years. In a forthcoming study undertaken by the WTO Secretariat at the request of the C-4 countries and other LDCs, it is noted that GDP per capita of a group of ten LDC cotton-producing countries has decreased by 2.1% on average, while indicators of food security have also decreased. The value of cotton exports has fallen by 34% for the group as a whole, whilst some countries have been able to maintain or even increase exports. Climate change is an ongoing threat to cotton production and to agriculture in general. The study contains recommendations on the possible measures which will promote recovery and resilience in the cotton sector.

Many of you may recall that the first World Cotton Day was celebrated here in the WTO in 2019. Today is a day for us to recognize all the women and men who derive their livelihoods from cotton production, processing, transformation and commercialization.

The Prime Minister has talked about the cotton farmers in many countries. We also recognize the role that can be played by an improvement in multilateral trade rules and aid for development, in order to increase revenues and help the cotton sector to achieve its development goals. We heard the words of both the Prime Minister of Mali and the Minister of Burkina Faso. I would like to pay tribute to the C-4 countries for the tireless efforts that they have deployed to ensure that cotton plays a primordial role in the negotiating agenda of the WTO, starting with the sectoral initiative launched in 2003.

Cotton remains, I think, a real window into the readiness of Members to obtain development-based results, especially those in favour of LDCs.

We have been able to take significant measures, eliminating export subsidies and equivalent measures for cotton. We have also been able to reaffirm the commitment to grant duty- and quota-free market access to LDC exports of cotton and cotton-related agricultural products, establishing a specific process for transparency and follow up in order to look at new facts related to trade in cotton. In 2017, the WTO, together with the International Trade Centre, launched the Cotton Portal - a single-entry point for cotton-specific information on market access, trade statistics, business contacts and development assistance. This portal responds to the reality that information is essential for businesses to trade. Looking ahead, we need to ensure that cotton discussions at the WTO remain on the right track.

I note the expectations of the C-4 for an outcome at MC12. Given the current context in the negotiations, everybody is going to have to demonstrate pragmatism and a sense of compromise to ensure that we achieve progress on cotton at MC12 and beyond. Let us continue to work together to ensure that the trading system can provide an outcome for those who are working in the cotton sector. Long live cotton, long live World Cotton Day, thank you to all of you.

ANNEX 2

STATEMENTS BY THE DIRECTOR-GENERAL, THE CHAIR OF THE GENERAL COUNCIL AND THE CHAIRS OF THE NEGOTIATING GROUPS AT THE INFORMAL TNC AND INFORMAL HODS MEETINGS HELD ON 30 SEPTEMBER 2021

STATEMENT BY THE DIRECTOR-GENERAL DR. NGOZI OKONJO-IWEALA

Introduction

Good morning everyone. Welcome to this Informal TNC/HODs meeting. This is the first opportunity after the summer break for Heads of Delegation to collectively re-engage on the range of substantive issues that you have been working on across different negotiating bodies and in the other work amongst Members.

As I noted in the convening notice for this meeting, you heeded to the call by the GC Chair and I in July for early re-engagement after the break. I just want to thank all of you for this. Your efforts are remarkable. I thank you for your commitment. And thanks to the GC Chair as well.

In light of this, I decided to convene our meeting today – at the end of September, in recognition of the many meetings, Chairs' consultations and outreach efforts – which are all important avenues to further narrow gaps and build convergence. Based on all these activities, delegations should be better positioned today to reflect on where we are and what needs to be done, in this final stage of our preparations for MC12.

As you will have observed – this meeting takes place during the Public Forum. The Public Forum is a WTO tradition and this edition is my first one as Director-General. I know that in this context, some of you have raised concerns about the disruptions this week's events have caused to your work including availability of meeting rooms at the WTO. This longstanding event was long planned, as you know, even before I took office. And it involves so many of our stakeholders. Whilst we thought about it, it would be so difficult to disrupt in order to avoid their disappointment. I must tell you that I have mingled with so many of the participants now. I met them and their level of interest and enthusiasm is quite high.

I think that since we have stakeholders still willing to come to the WTO to engage with us, this is quite important. It is testament not only of their interest in what we are doing, but also a reminder that we have a responsibility to deliver for ordinary people. It is important to keep our stakeholders engaged – especially during these difficult times. And the other thing I am glad about is that many Ambassadors and delegates are involved in the sessions either in panels or participating in them.

Delivering for people – creating jobs, raising living standards, promoting sustainability – is especially important in these difficult times. As COVID-19 continues to have a devastating impact on lives and livelihoods, the global economy is on a K-shaped trajectory of recovery. Advanced economies and a handful of emerging markets with abundant vaccine supplies and the requisite fiscal space are recovering strongly, but the rest of the world is lagging behind. The IMF projects 6% growth in global GDP, but only 3.9% growth in low-income developing countries, and 3.4% growth in sub-Saharan Africa, the region where vaccine inequity is most acute. Our own data shows similar divergence across regions in trade performance – there is a strong resurgence of trade – with Africa, South America, and the Middle East recovering more slowly than other regions. We will discuss these issues in-depth when we issue the WTO's new trade forecast next week.

As you all know, many of the countries grappling with slow growth and trade recovery also have substantial debt burdens that have not been successfully dealt with yet, notwithstanding the efforts being made by our sister institutions – the IMF, the World Bank – and the international community particularly the G-20. This is further weighing on the little fiscal space that these low-income countries have to stimulate recovery. This is something we should bear in mind as we negotiate – trade can help give them the support they need to help their economies rebound. I thought I should

share this context with you because trade is part and parcel of a sustainable economic recovery and we must think of how we can be part of a successful and sustainable recovery for those countries that do not have the means. A successful MC12 would send a strong signal that WTO Members are committed to working together to make trade part of the solution for a lasting and inclusive global economic recovery. Again, I urge you to bear this in mind in all of your negotiating processes in view of MC12.

Reports by Negotiating Group Chairs

With these introductory remarks, let me now turn to the reports of Negotiating Group Chairs. To prepare for this meeting, on Monday, I met with the Chairs. The GC Chair was also present. We exchanged views on their efforts to assist you in advancing work across various negotiating areas.

As you are well aware, since our last informal TNC on 23 July – there has been active engagement in the fisheries subsidies and agriculture negotiations – two areas that many of you have repeatedly expressed a desire to achieve results before or at MC12. On fisheries subsidies, Ministers provided the needed political momentum at the 15 July Ministerial TNC. Ministers are expecting results from us soon – which is why Ambassador Wills has intensified efforts aimed at assisting you get to the finishing line.

In agriculture, the Chair – Ambassador Gloria Abraham Peralta issued a negotiating text under her own responsibility on 29 July and discussions have also intensified. There have also been activities in various configurations including open-ended meetings convened by the Chair of the CTD SS – Ambassador Kadra Ahmed Hassan and of the CTS SS – Ambassador Zhanar Aitzhanova.

Let me therefore invite the Chairs to update Members on the latest developments in their respective negotiating areas, including their assessment of what is needed to close remaining gaps in order to deliver results by MC12.

I would like to invite the Negotiating Group Chairs to take the floor as follows¹⁴:

Ambassador Gloria Abraham Peralta (Costa Rica) – Committee on Agriculture in Special Session.

Ambassador Kadra Ahmed Hassan (Djibouti) – Committee on Trade and Development in Special Session.

Ambassador Zhanar Aitzhanova (Kazakhstan) – Council for Trade in Services in Special Session.

Ambassador Santiago Wills (Colombia) – Negotiating Group on Rules.

Listening to all of the reports, they are all very sobering. But I sincerely hope that what you said that people are looking for a win-win solution is the truth. I hope that is the mindset in which we are all approaching these negotiations. If it is not, then we have a problem. With that said, let me sincerely thank the Chairs for their dedication, commitment, and hard work. When I think about it, the Chairs of these Negotiating Bodies are peers who are doing this work voluntarily. I joked that they are not being paid for it. They also have other duties to pursue. So we have to give them the utmost respect for giving us their time to try to lead all of us through this process. So I really want to remind all Members of this. I do not think any of them has an axe to grind or wants to take negotiations in one particular direction or another. They are there trying to do their best to get us an outcome and I would like us to respect and cherish them. That is how I see them. Thank you so much.

I want to note the sheer number of ideas, papers, and submissions since I came back from my trip I have been going through that individual Members and groups have tabled in various areas. On the one hand, this is encouraging because this means there is a lot of active engagement. On the other

¹⁴ The reports of the Chairs of the Committee on Agriculture in Special Session, Committee on Trade and Development in Special Session, Council for Trade in Services in Special Session and the Negotiating Group on Rules can be found in the Annex of this document.

hand, sometimes with so many new, sometimes conflicting ideas and sometimes old ideas that have been debated and left behind coming back again, it can look confusing. It is clear that things are not moving at the pace that we want them to move, but often times we find it is darkest before the dawn. So, we still need to persevere.

And as you have heard from the Chairs, it is really crunch time. A lot remains to be done, divergences are deep – let us not deceive ourselves, and the time to MC12 is limited. The inevitable consequences of the situation we find ourselves in today will be increased demands on all delegations and potential conflicting schedules. On the latter, the Secretariat is really trying to the extent possible, to avoid scheduling conflicts. We have in particular the concerns of smaller delegations in mind and remain cautious about their constraints.

But at the same time, I would like to encourage all of you to follow what the Chairs have suggested – talking to each other bilaterally, in small groups, in addition to the meetings that have been converged by the Chairs. I would urge you to feel free at any time, if you want to meet alone outside those groups, to do so. At the same time, delegations will recall that I have been advocating for focused engagement on a few – 2 or 3 deliverables and addressing other equally important issues – and I want to stress these equally important issues – after the Ministerial in a more focused manner. Some exciting work is going on in the various areas and I hope we can find a way to take these forward. But I think we need to devote a lot of time and energy to make sure that we have those two or three deliverables that we can talk about and present at MC12. So let me reiterate this call for focus and ask you to bear this in mind as you take the floor.

Assessment by the TNC Chairperson

Let me now provide my assessment as TNC Chair and perhaps make some suggestions and observations as I go along. I want to apologize at the onset as I will be speaking at length but please bear with me. I want to use this as the occasion to also report to you of the activities that have taken place since our TNC on 23 July. I would like to provide a full report given the critical stage that we are in our MC12 preparatory phase. So please bear with me.

Fisheries Subsidies

I will start with the fisheries subsidies negotiations and immediately endorse Ambassador Wills' call for a solution-oriented focus to the work in the Negotiating Group. I know these meetings are tough, but I fully support the continuous intensive process that he is leading aimed at addressing large macro issues and perceived imbalances in the text this remaining week to ten days that we have for that before moving to line-by-line negotiations. I really want to urge you all to remain constructively engaged. I have looked at all the submissions on fisheries subsidies. If we throw all these in, in the form they are, I believe it would be impossible to move forward or to negotiate. I would strongly urge delegations and Ambassadors to again talk to each other so you can converge a little more to make line-by-line negotiations a real and manageable process for fisheries.

On how we get from where we are to where we need to be, we heard from Ministers and Heads of Delegation in July. The ball is back in your court as Heads of Delegation in Geneva to translate their guidance into concrete action. I heard the call that, yes, we need to balance the text. But, yes, we need to come to a conclusion. And I understand that differences on perspectives of the possible disciplines remain. But it is also evident that the mood and the spirit in these negotiations is cooperative, notwithstanding the amount of work that needs to be done. I really want to urge you to continue this cooperative and constructive approach by trying to converge various proposals that you have put on the table. Just bear in mind, if you look at all of them, you can see that it would be impossible to engage on that basis. So we need to do something to solve this problem and produce a text that can actually be negotiated.

We all know what is at stake for millions of people whose livelihoods depend on sustainable fishing. "This is for people – not for fish". But this is also for sustainability and biodiversity of our oceans. Let me say that the time is here for us to conclude a balanced and meaningful fisheries agreement. After 21 years of no results, it is clear that if we do not pull it off now, then I don't really see what factor can help us pull it off later. Despite the fact that Members have different views, and the negotiations are technically as well as politically complicated, we can still make it by presenting a constructive attitude towards each other. We have to accept that now is the time to put our cards on the table if we want to move things.

I want to use an analogy so please permit me. In my part of the world, we go to open markets to buy our goods. And when you go to buy, you know you are going into a negotiating process between the person selling and the person buying. From the time you are small, when you are eight or nine years old, your mother starts taking you to the market. It is the mothers who usually do a lot of the buying. They want to teach you how to do this thing, so you start early. It is a fine art. The person selling the goods knows that if they move a little too far with what they are demanding, the customer will walk away because they will say it is not even worth my while trying to negotiate this. The customer knows that if they demand that the price be lowered a little too much, the seller will just turn their back and focus on the next customer. It is a fine game. You have to know at what point you can still engage the person you are negotiating with and at what point they will say, "This is so far out I am not even going to try." That is what we are in and that is why you are taken when you are small to be taught how to do this because it is something you have to learn so you do not go too far this way or too far the other way.

As I look at the negotiations we are doing here, this comes to mind. Are we really trying to put demands that we know are so far out that other colleagues would walk out and not even want to talk about it? Are we going to try a balance where we are demanding something, but it is still reasonable that other Members want to talk to us? This is what I want to put on the table. It is an art. It is not a science. It is an art. And we have to learn that balance. One way this way, it does not work. One way the other way, it doesn't. As far as I can see - again, I have been here for six months - it has not worked because that balance has not been observed or respected by the negotiators. Unless we change our mind and learn this balance, we are not going to move. And that is the plea I am really making. Do not, at this time, think that you can throw out a really out of the way demand as a negotiating position because other delegations who are being interested in striking a deal will look at this and say, "Well, this is so far out. Why am I even in this room?" And they will walk out. And that is not what we really want. So, I am pleading to all of you to take a reasonable approach to the fisheries negotiations. For the first time, we stand a chance. We have the will of Leaders - and I would talk about it more later. Let us not in Geneva disappoint them, please.

All I want to repeat is that when we are talking about fisheries, it is about people. When I was learning fisheries, it is part of agriculture. We cannot say that when we look at agriculture that it is not about crops and people. I just want to remind everybody that the fisheries negotiations is squarely about the livelihoods of people. It is also about the sustainability of our oceans and of biodiversity. But all in all, these two things complement and reinforce each other and that is what we need to put ahead of us as we negotiate.

Agriculture

On agriculture, Ambassador Abraham Peralta has provided a draft text under her own responsibility to try and move these negotiations forward. Several meetings and consultations in various formats have since been held. You have heard what she said. Members have tabled further contributions. So, there has been enormous effort reflective of the sentiments by many of you in equating a successful MC12 to delivering meaningful outcomes on agriculture. For a negotiating portfolio that dates back even further than fisheries subsidies, it is high time we try to come to focus. The chance is there. Perhaps we cannot deliver all that everybody wants. But I think we can get something out of this. But I urge us to think in those constructive terms.

I am not surprised that in several discussions, including on the occasion of my participation in the LDC retreat in Montreux as well as the G-33 Ministerial Meeting chaired by H.E. Mr. Muhammad Lutfi, Minister for Trade of Indonesia, I heard a strong push to deliver an outcome in agriculture - the same thing when I attended the meeting of the Cairns Group. We have to look at this within the context of the implications of the COVID-19 pandemic on food and livelihood security.

Recent estimates by both the World Bank and the IMF show that low-income countries were particularly hard hit by the pandemic, with little fiscal space to respond. I have shared the numbers with you earlier and I have told you about the K-shaped recovery. But what this means is that we have to be particularly cognizant of issues like food security and livelihood as part of the response to the pandemic for these countries.

I know many expressed discomfort with the Chair's text, but I think that the circulation of the text constitutes a significant step forward in the negotiations. As stressed by Gloria, this text is primarily a tool to help you engage in text-based negotiations and build your compromise text. I hope the

text is serving this purpose. And I am looking forward to seeing what kind of package, including post MC12, we can put together for agriculture.

It is now time to crack the nut for agriculture – be it for domestic support or public stockholding. To help the Chair move on this, we have to demonstrate the necessary flexibility. We have to engage with each other towards a middle ground. I know agriculture is important to all – whether it be these issues I have mentioned, public stockholding, domestic support, market access and cotton with Cotton Day coming on 7 October. I want us all to remember that agriculture is an existential issue for all of us but especially for our poorer non-industrialized Members. Agreeing on a balanced approach at MC12 is critical for the future of our Members and for the future of these negotiations.

The United Nations Food Systems Summit that took place a week ago and the United Nations climate conference that will start on 1 November remind us of the urgent need, notably in the context of the COVID-19 crisis, to get back on track and to move toward a fairer and more sustainable agricultural and food systems that effectively contribute to the fight against poverty and malnutrition.

The multilateral trading system is part of the solution and it is our collective responsibility to ensure the WTO effectively plays its role in this global effort. We must send the right signal to the world at MC12 with a meaningful, forward-looking agricultural package. If we cannot get all of it done now, let us agree on how we get it done post MC12.

Special and Differential Treatment

The negotiation on special and differential treatment is another difficult yet important area for all delegations. Listening to interventions at the July General Council, I felt that delegations acknowledge that S&DT is a key part of the WTO's architecture for assisting developing countries, especially LDCs, integrate fully into the multilateral trading system.

S&DT remains a central tenet of the WTO and the issues around it can only be solved by dialogue and flexibility. I was encouraged to see that dialogue begin at the last formal General Council. Members talking to and not at each other. I know the G90 have issued a recent submission and you have heard Ambassador Hassan's report today which was not promising. She is holding consultations in different formats to find a way to move forward. Again, I urge, let us try to find some common ground among these proposals. Let us aim for a positive, even if partial, move on these issues and see what we can do post MC12 to continue to evolve on this.

LDC Matters and Development

Let me also mention that I had very useful discussions on LDC issues with a number of Ministers from Bangladesh, Sierra Leone and The Gambia – as well as the UN USG of the UN OHR for LDCs, LLDCs and SIDS. We discussed a range of issues of importance to LDCs including the urgent need to focus on recovery and resilience efforts from the pandemic given that LDCs are most disproportionately impacted as I noted earlier. I hope we can make progress on outstanding LDC issues through necessary flexibility on all sides and a willingness to approach issues with realism.

I thought the recent South-South Dialogue on LDCs and development in Montreux was useful and in this regard, I would like to thank and applaud the LDC Group Coordinator – Ambassador Makaila of Chad who made an extremely good presentation and thank Ambassador Li of China for putting this together aimed at facilitating a process of finding solutions to the concerns raised by LDCs and LLDCs as we prepare for MC12.

I would like to mention that the study being done by the Secretariat on LLDC issues, particularly with respect to logistical bottlenecks during emergencies such as the pandemic, is coming along nicely – and I hope we have it ready as a basis to also look at LLDC issues prior to MC12.

The importance of addressing developmental challenges through WTO work was a recurring theme in my discussions with up to seven Presidents and Prime Ministers I met with in New York. This is really appreciated on the part of the WTO as we talk on the side-lines of the UN General Assembly last week.

Services

Turning to services, to state the obvious, services trade has greatly increased in importance over the past years and is a key driver of growth and development. The pandemic has had a strong adverse impact in this area, but I believe that services will rebound with the recovery. Yesterday, I received ten members of the Services Associations and we all agreed that services is the future of trade and the WTO cannot be left behind.

As I understand it, MC12 is not about re-launching the services negotiations as Ambassador Aitzhanova said, under the built-in agenda. But silence would seem odd. I encourage delegations to continue their discussions to see what signal can be conveyed by Ministers at MC12 so as to provide some impetus for discussions after the Ministerial on matters under the purview of the Special Session.

Negotiations in general

Overall, on the negotiations, delegations have been actively engaged in various strands of our negotiating work – but it is also evident from the Chairs' reports today that we are not making the progress we should in these areas. When we have some Ambassadors saying that we are retrogressing rather than progressing, or members of the media claiming Ambassadors are telling them MC12 will not work, then we really need to step back and take a look at where we are.

This is not the impression I get from talking to Ministers and Leaders outside. So, I do not know whether there is a Geneva bubble where we feel that things will not work. But I would like us to step back and really ask ourselves if we want to deliver, if we want to continue what we have been doing for twenty years. Personally, I do not share this pessimistic assessment as yet – as yet. I think we should target our energies to make the final push as I have said before but maybe the time will come when we need to step and say, "Do we really want this MC12 or not?" We need to ask ourselves that. Sometimes I feel like some of us do not want a successful MC12. And I do not say this lightly.

So, for the remaining time, we should keep asking ourselves if we want to have a successful MC12. If we do not, let us be honest and tell the world that we don't. Let us not pretend. Let us tell our Ministers we cannot make it. Ministers have not met in person for the past four years. If we want them to be successful, then I think we have very little time to change the way we approach this.

The WTO's Pandemic Response

Let me now turn to the WTO's response to the pandemic. This remains an absolute priority for everyone, and a vital imperative for ongoing coordination both within and beyond the WTO. I was unable to attend last week's Informal General Council meeting when Ambassador Walker reported on his work as Facilitator. Therefore, I will start by thanking David for the indispensable work he is undertaking on the WTO's response to the pandemic.

I would also like to thank Ambassador Dagfinn Sørli for his efforts as Chairman of the TRIPS Council and, of course, Ambassador Dacio Castillo, our General Council Chair for his unwavering and unrelenting effort to guide us in this process. While working through complex and sensitive issues, I have been most encouraged by the seriousness, engagement and commitment to an effective global response that are widely shared across the Membership.

We need urgently to build on this sense of common purpose. It is clear that to achieve a successful outcome from MC12 – and still more importantly to overcome the dreadful social and economic havoc wrought by the pandemic – requires us to converge on the key elements of a meaningful response to the pandemic. The WTO must do its part in the international response – as others have already – and contribute not only to addressing the pandemic and its multidimensional challenges, but also in giving effect to the hard-won practical lessons and proceed to lay down the necessary preparations for future pandemics. In this regard, though text-based negotiations on IP are stuck, it appears that there might be promising discussions currently ongoing between Members on how to break the impasse. I want to thank those Members who are aiming to do this and strongly encourage them to persevere. We cannot get to a response on the pandemic without tackling and finding a compromise solution on IP.

Moving on, I have continued my outreach efforts with the Multilateral Leaders Task Force on COVID-19 Vaccines, Therapeutics and Diagnostics working with the Heads of the IMF, World Bank and WHO and with a wide range of stakeholders. The initial focus has been on finding solutions to overcome obstacles to ramping up and diversifying vaccine production, with the express goal of redressing the shocking global inequity in access to vaccines, which is imposing the social and economic costs of the pandemic on those who are least able to absorb them. This outreach complements the excellent work underway by Secretariat staff, at a very granular level, working with staff of the pharmaceutical companies on supply chain bottlenecks.

In the first week of September, the Multilateral Task Force met with CEOs of pharmaceutical companies to continue the dialogue on finding ways to resolve bottlenecks in supply chains, regulatory convergence and other issues related to the manufacturing and distribution of COVID-19 vaccines. Let us recall that the G-20 Finance Ministers asked the Multilateral Task Force to try to work on the IMF proposal of investing USD 50 billion in order to vaccinate 40% of the world by the end of this year, 60% by mid next year, 70% by the end of next year in order to get a hold on this pandemic.

Our ability to interact with key players in the industry and the clarity this brings has been viewed by the international community as a significant step towards resolving vaccine inequities. As a follow-up at technical level, we have now also established a Vaccine Network with representatives from the IMF, the World Bank, WHO and WTO, together with representatives of vaccine manufacturers to attain an ever clearer, more granular, and timely analysis of choke points and obstacles. This has confirmed that getting the trade policy settings right – which means reducing unnecessary obstacles on cross-border supply chains, stepping up regulatory cooperation, and fostering technology transfer – taken together would make a decisive, concrete contribution to improved outcomes.

We have also met with the African Vaccine Acquisition Trust (AVAT) and the Manufacturing Task Force who have also asked our help on working with supply chains and asking how the WTO can support their efforts. We are now seeing encouraging progress towards diversification of production capacity in Africa and in Latin America – vital in responding not merely to this pandemic, but also ensuring sustainable capacity in these regions for the next challenges. We are intensifying our collaboration with COVAX and AVAT as I said.

These are also the same messages that I delivered at the virtual White House Global COVID-19 Summit convened last week by H.E. President Joseph Biden. My view therefore is that by addressing vaccine inequity, we can ensure inclusive economic recovery for all. And I trust the WTO – all of us – will continue to play our part in making this come into fruition. We are appreciative that the WTO was one of the few International Organizations invited to participate in the Biden COVID-19 Summit. It is a mark of recognition for the important work underway on monitoring of and dealing with supply chain bottlenecks.

At this point, I want to share with you a letter that we received last night from two of the Senators we met in our trip last week in the United States – H.E. Senator Thomas Carper and H.E. Senator John Connor. The reason I am sharing this with you is that it is one of the best letters I have ever seen. They have sent a letter to H.E. President Joseph Biden commending the work of the WTO in this area on supply chains particularly the granular work we are doing with the pharmaceutical companies. This is the kind of attention that we would like this organization to receive. And I would like to thank all those who have been instrumental in this especially the Secretariat staff.

All these efforts should feed into the regular work of the WTO Councils and Committees as several of you have suggested in the discussions led by Ambassador Walker. As a Member-driven organization, all of our discussions, together with the complementary efforts of the Secretariat flow into the same work stream led by Members. As far as I know, we are in this together and the Secretariat is and will always be at your service on these issues.

So clearly, a lot has been happening on several broad fronts – from monitoring of export prohibitions and restrictions and regulatory issues to working with manufacturers to increase production, spur research and development, address supply chain issues and foster transfer of technology and know-how to diversify production capacity across the globe. A substantive, forward-looking and inclusive MC12 outcome on pandemic response will definitively give these welcome trends enormous momentum. We know that key international actors are looking to us expectantly, knowing that this

is not just about symbolism. It is a vitally needed practical foundation for the next round of efforts to put an end to the pandemic.

What we need now is to begin to converge, so that we can have a credible response to the world from the trade community soon. We do not have much time left. People are dying. So I urge you to engage fully and extend all the flexibility you have so that we can deliver in this critical area of response to the pandemic.

WTO Reform including Dispute Settlement

WTO Reform including finding a solution to the challenges confronted in our dispute settlement system as well as improving the functioning of the other pillars of the WTO. This remains clearly a priority for many Heads of State, Ministers, Heads of Delegation and Parliamentarians that I have met in recent days. I have also heard the same sentiments strongly expressed in last week's meetings with US congress – the House Ways and Means Committee and Senate Finance Committee. DDG Ellard was with me and I thank her for her great work in organizing this. For MC12 we should seek a common understanding of the type of reforms we want especially for the dispute settlement system and agree on a process to work on this post MC12.

Political leaders have strongly reiterated the importance of modernizing the WTO as we look to the future of trade and make efforts towards recovery from this global economic crisis. We must heed their call. In this regard, I am glad that the discussions are becoming more focused in the context of the work that the GC Chair is undertaking on the potential outcome document for MC12 – and I hope we can arrive at credible results that begin to respond and point in the direction that Leaders and stakeholders wish to see for a reformed WTO post MC12.

Broader External Context

MC12 does not take place in a vacuum. There are several challenges confronting the world that are equally critical and require global solidarity and collective action. These range from increased poverty, global hunger, increased inequality, unemployment, socioeconomic unrest to environmental degradation and climate change. They are all part of the broader external context within which our Ministerial will occur, and I note that in your discussions on the MC12 outcome document – under the GC Chair's process, that some of these issues are really coming to the fore.

Today I would like to address the question of climate change and related sustainability issues which are serious looming challenges for the global commons – accelerating as we battle the COVID-19 pandemic. As we rightly focus efforts on concluding balanced fisheries subsidies disciplines – we must not forget about our responsibility to safeguard and protect our planet for future generations. As you are well aware, when the WTO was established, Members enshrined in the preamble of the Marrakesh Agreement that trade should be conducted in a way that would allow "for the optimal use of the world's resources in accordance with the objective of sustainable development, seeking both to protect and preserve the environment [...]".

It is with this in mind that I have participated recently in several events to see how best the WTO can continue to contribute to ongoing discussions in this field. I was invited to the Global Centre on Adaptation (GCA) – the launch of it – chaired by former UN SG Ban Ki Moon where we focused on finding ways to address the climate crisis including how trade could be part of the solution. UNFCCC SG Patricia Espinosa was there as well. The GCA has invited the WTO to work as a partner towards the COP26 Adaptation Day – setting out how trade and the WTO can contribute to delivering net zero in 2050. I am sure that this is a piece of work the Committee on Trade and Environment will find most interesting to look at.

I was also invited to a meeting in Evian earlier this month that brought together senior business and political leaders from France and Germany where important issues to the business community were discussed. In fact, we have recently had meetings with several business groups, the International Chamber of Commerce, Coalition of Services Industries, US Chamber of Commerce, B20 and Keidanren, among others. All have raised issues of climate change and the fragmented global approach to carbon pricing. They have also raised issues related to geopolitical tensions and competitive neutrality both on the domestic support side, as well as the industrial subsidy side. Reforming the dispute settlement system is of particular importance to them, as is services and

digital trade. There is a strong desire for greater contact and partnership with the WTO. I should mention that this is also the case with Civil Society, and I think the WTO Membership and Secretariat should be gratified by this and do more to enhance this.

MC12 Organization

Finally, let me address the issue of the organization of MC12 and how I see work ahead. I will also make a few comments on a potential outcome document for MC12. On MC12 preparations, the GC Chair and I met with the MC12 Chair, H.E. Minister Bakhyt Sultanov of Kazakhstan, and collectively with the Swiss Authorities to discuss the organization of the Conference. In this regard, we sent out a letter of invitation for the conference to all Members to attend an in-person Conference in Geneva. It is my sincere hope that Ministers and Heads of Delegation will come to Geneva for face to face engagement – despite the challenges posed by the Pandemic – given the importance of this meeting for the future of this organization. Let me also mention that I have issued the formal Airgram convening the conference – in document WTO/AIR/MIN/3 on 8 September.

As the GC Chair informed delegations last week, the Secretariat is planning an Information Session on 6 October in which details on logistical arrangements will be provided. This will also be the opportunity to respond to specific logistical issues or concerns that have been raised by delegations.

But what I would like to stress is that, regardless of the format of MC12, we must aim to finalize as much as possible in advance. Leaving a lot to the last-minute negotiation and overburdening Ministers is not a recipe for success – as previous experiences have shown. In this regard, I agree with the GC Chair's suggestion that we must have a clear idea of how things are shaping up by the end of next month. This will give us time to make any required course correction and manage expectations, or re-think MC12 if required.

Since MC11 in 2017, the world, our trading system and this organization have confronted – and still face extraordinary challenges that necessitate exceptional responses from all of us. MC12 is therefore not just another Ministerial Conference.

Some might hold the view that even without results at MC12, business will continue as usual the next day. But I am sure that each of us knows well that the WTO will not be the same after a failed MC12. Yes, the WTO will be here – business will continue as usual, but it will be increasingly empty business. It is clear that people are really supporting us – but it is also clear that this support is predicated on seeing a change in the way we do business. Business as usual, which at the WTO has come to mean little or no results, is not what people are looking for. And, if this is what we deliver at MC12 – we can expect that the result for post MC12 work to be less business for this organization. People will take decisions elsewhere even on issues where the WTO is the logical forum – because they will feel that we cannot deliver. If we look well, we can already see signs of this. It is imminent and eminent. I am sorry to be the constant bearer of this news – but this is the truth and we should internalize it.

Ministerial Outcome Document

This should drive us to work towards a concise yet meaningful and directional Ministerial outcome document. And I want to thank the GC Chair for his leadership and tireless efforts in assisting Members to do this.

After six years without a multilateral WTO Ministerial Outcome – I understand that the last was in Nairobi in 2015 – it is time that WTO Ministers collectively spoke positively to the world. Therefore, I am urging you all to rise beyond individual interest, bear in mind the current context, internalize that we cannot fail and see the bigger picture.

Conclusion and way forward

Let me conclude with words of strategic encouragement drawing on my recent experience here. In July, many people felt we should cancel the 15 July meeting because it might fail. And I said no, we should not do that. When I took this job, I said my job was to help Members deliver results. I have never been afraid of success and I encourage you likewise. Sometimes it seems to me that after long periods without concrete results, failure becomes comfortable. But that is not why I took this

job. Please do not let negotiating fatigue and frustration creep in. Let us keep trying. I am sure that if we have the right mindset, we can deliver.

On my part, I will continue to support all of you and the GC Chair. I will continue to talk to all the groups and if necessary, I will travel as I have been trying to do to Capitals to also try to get a pulse of what they are thinking and what they are doing. We will exhaust all avenues to make sure we deliver. xxx

Let me now turn to our GC Chair, Ambassador Dacio Castillo (Honduras). Thank you, Dacio, for the extensive efforts you have made and your leadership. We will continue our collaborative efforts together with Kazakhstan to ensure a successful MC12. I will stop here and give the floor to the General Council Chair before opening it up for Members' interventions.

Concluding Remarks

I want to commend all Members for your fortitude. I want to thank all 46 delegations that intervened today – quite a number – and put their thoughts on the table. I thought delegations were being frank. I want to thank all the Negotiating Group Chairs and the GC Chair for all their efforts in preparation for MC12. We are all in this together. I join the GC Chair's call that we should take stock of our progress sometime in late October so we get a good idea of what can actually be forwarded to the Ministerial Conference.

Let me say that I am ending the meeting a bit more heartened than when I started. It is not that the deep divisions have gone away. They have actually been exposed during the discussion. But it is that Members have recommitted to the multilateral trading system, to the WTO and to a successful MC12. And that is really heartening. As you know, when I started this, what I said was that I felt that some delegations may not want a successful MC12. They may want it to fail. But it looks like virtually every delegation is ready to work towards a successful MC12. Everyone realizes that one that fails is a stain in this organization that may not be easy to remove. If this follows what happened at MC11 then this will not be good for the Trade Ministers especially given that there has been four years in between to try to plan something that is successful.

Even though I am heartened, I still want to leave you all with the need to reflect on where we are and to think of the big picture of this organization. If you really want it to be a place that helps with trade integration, let us not plan for failure. Let us plan for success. In any case, you know that it is really nice that Members used the James Bond analogy throughout the meeting and not the Mission Impossible analogy. That is really very good. So, thank you all for making that effort to reassure each other, reassure all of us, that you are committed.

15.7. I heard certain things and it looks like on the issue of focus we are all converging on the things to be delivered. I heard about the response to the pandemic as a central issue that we would all like to see delivered. I heard about fisheries, agriculture, WTO Reform especially the dispute settlement system, S&DT and development issues and the reaffirmation of that especially issues affecting LDCs and LLDCs.

I want to applaud the progress in the JSIs – the JSI on Services Domestic Regulation where we heard the report that it is almost concluding, E-Commerce that is moving along, Investment Facilitation for Development, MSMEs and Women and Trade. These are all the reports that were put on the table.

On the issue of the high shipping costs and scarcity of containers, many SMEs have already written – actually that's what caught us on the road to looking into this issue. I received letters from SMEs complaining that, whereas the large companies can weather the cost of this, they are being squeezed out. This was of great concern. We have already initiated talks with the large shipping companies to understand what is happening. We recently had a meeting with MCM of France, the third largest company. We are looking into this much more. But there is a supply and demand factor squarely behind this. There is the pent-up demand from the fiscal stimulus. There is also the demand for inventories coming from business. This is leading to a real huge demand for shipping goods from one place to the other because some businesses are afraid of what might happen to their supply chains and they are trying to manage risks by increasing inventory. So, there are a number of factors he explained to us. His company has frozen freight costs. They are the only ones who have done it. That is why is one of the reasons why we are interested because he feels that what is happening is

really not normal especially for SMEs. But we are talking to them. As we get more information, we will share it with you. It is a market-driven thing we are seeing. Perhaps based on that, we can see where we go forward with this particular issue.

Before concluding, let me update you with regard to two administrative issues: (i) the Secretariat's return to office – because many of you have expressed interest in that and, (ii) the Secretariat Structural Review. The WTO Health Task Force, which is handling this in the Secretariat, continues its close coordination with the Swiss Authorities. I have also been in contact with other Heads of International Organizations in Geneva to understand what they are doing. Every Head is actually waiting to see what the other Head will do before they move. When we had dinner, we found out that we are all waiting for each other. But one or two have started to move.

Our current goal is to have a staged approach of Secretariat staff coming back at 60% on a rotational basis. We had wanted to start that on 20 September but we decided to delay it for another month to 20 October, to provide staff who have not yet been vaccinated the chance to do so. Most of the Ambassadors I have spoken to have been vaccinated. But I would like to urge anyone who has not yet been vaccinated to do so as we will be coming in and out of the building.

Once we start this policy of 60% coming back to the office on a rotational basis on 20 October, all Secretariat staff will have to show their vaccination certificate before entering the building – as is the case with participants in this week's Public Forum. Staff who choose not to be vaccinated will be required to present a negative PCR or antigen test result, probably at their own expense.

With respect to delegates, I have urged that those who have not yet been vaccinated to get vaccinated. But I will also consult with the GC Chair on these issues and on how he might want this to be handled. We have spoken about staff but we have not yet spoken about delegates. So I will come back to you to talk about that. But I would be very happy for things to start getting back to normal and to start seeing you all coming into the building.

Concerning the Secretariat Strategic Review that we are undertaking, you remember I already highlighted the main takeaways from the July report prepared by McKinsey, the firm that we contracted. I once again thank all delegations who participated in that process – and many of you did. I am really gratified that you took the trouble. And the GC Chair was also interviewed at length. As we look at the report, it is obvious that we will need to address some areas based on the recommendations they made. But our contract with McKinsey has ran out. We did not include the implementation part in it. So we had to advertise again as it is obvious that we need help with implementation. That has been done through the Procurement Contract Committee. At the same time, it has been recommended that we establish a temporary Transformation Unit from within that would be in charge to make sure that implementation would involve staff and managers, and to the extent needed, also Ambassadors and delegates. That would help us run this from the inside. We will advertise that shortly for someone from inside the organization. We are also looking at all the possible ways to engage staff in this process and we will update you through probably the CBFA or other means. I thought it would be good to share with you what is happening since what we are doing is based on the feedback from the surveys you took part on and from the staff surveys.

Most likely, given the fact that we have MC12 and we do not want to divert intention from the work we have to do, we might just start with things that are not destabilizing to anyone, some HR processes that staff have said they wanted to be looked at like promotions, mobility, career pathways and performance management. We may start with those and then see how we go from there until we finish MC12 for any other piece of work we might need to do.

So, we want to focus on helping you deliver for MC12. Let me also inform delegations of my intention to convene in November a Formal TNC Meeting. This is a tradition before a Ministerial Conference. In addition to assessing the state of play in our negotiating efforts, it will also be the occasion for Negotiating Group Chairs to provide their formal written reports to be transmitted to the Ministerial Conference through the General Council.

Those are the things that I would like to share with you. On 6 October, we will provide more information on the Conference itself so that you get up-to-date on the information you need. With that, we have covered all the ground. I want to thank you enormously for your patience today and for the very good contributions we have heard. I know that the divisions are there but we are all committed to deliver. After 20 years, let us really deliver – just one or two things for this Conference

and then we will also look at what we will be doing post MC12. Thank you so much and have a wonderful evening. The meeting is closed.

STATEMENT BY AMBASSADOR DACIO CASTILLO, CHAIR OF THE GENERAL COUNCIL

Thank you, Director-General, for convening this meeting. Work has intensified in the final stages of our MC12 preparations. And I join you Dr. Ngozi in commending Members' active participation in all the ongoing processes.

After the summer break, we began the process on a possible MC12 outcome document. This work takes account of, and builds on, all my consultations with delegations since April. I refer you to my reports in JOB/GC/259, /262 and /268, which should be read together.

I again consulted with interested Members on this matter. To facilitate the process, I have been meeting with group coordinators and a number of other delegations in a broadly representative group format. Informal GC meetings have also been held regularly for transparency purposes – and I conducted further consultations yesterday.

As a result of my interactions with Members, I presented a skeleton of the possible outcome document. This is divided in two parts. We will focus on Part One, which would comprise (i) the context in which MC12 takes place; (ii) some broad political messages; (iii) guidance from Ministers on additional elements Members may agree on. Part Two relates to references or a list of possible Ministerial Decisions, work programmes, separate declarations or reports – which are the subject of ongoing work in various processes.

As I said at the Informal General Council meeting last week, based on our discussions with Members, I will try my hand at fleshing out some language for a possible outcome document, as a starting point. Next week, we will start considering possible language on 'Context' and Over-Arching 'Political Messages' in this representative group format. I will then update Members on the process during the 7-8 October GC meeting.

Also at our meeting next week, I will report on my consultations on the E-Commerce Work Programme and Moratorium.

On the organization of MC12, as the DG has mentioned, we met with the MC12 Chair, H.E. Minister Bakhyt Sultanov, and the Swiss Authorities. I again encourage all Members to attend the Information Session on MC12 logistical arrangements on Wednesday, 6 October and I draw your attention to the Information Note in document WT/MIN(21)/INF/5 for further details.

As we reach the final stages of our MC12 preparations, I encourage all Members to redouble efforts in reaching texts in various areas. These texts will be transmitted to the Ministerial Conference through the General Council. As such, we need to take this into account and aim to finish texts on possible outcomes as soon as we can.

Let me therefore encourage all Members to reach out to each other and begin to bridge gaps. I remain open to facilitate in this regard. Together with the DG and the entire Membership, let's work to ensure a successful MC12.

**ORAL REPORT BY AMBASSADOR GLORIA ABRAHAM PERALTA (COSTA RICA),
CHAIR OF THE SPECIAL SESSION OF THE COMMITTEE ON
AGRICULTURE AND SUB-COMMITTEE ON COTTON**

Let me briefly update you on the state of play in the agriculture negotiations.

I circulated my draft Ministerial texts before the summer break on 29 July. Members provided their comments on it during the CoA SS meeting and dedicated discussions on PSH and SSM held on 7-8 September, and the subsequent meetings on 20 and 21 September.

There have also been several new submissions, including one by India on Domestic Support, one by the C-4 on Cotton and another by the ACP group on COVID-19 impact on agricultural markets, as well as an update by Canada of its analytical tool on Domestic Support.

Regarding the process, I announced at the CoA SS meeting last week that I will launch a topic-by-topic "room D"-type process during the week of 4 October. The purpose of these meetings will be to engage in focused, text-based discussions on what could constitute a possible outcome at MC12.

I invited Members to come prepared to make specific textual contributions to improve the draft negotiating text, so as to enhance its prospects for attracting consensus and identify possible landing zones.

I have also engaged in a series of parallel small groups consultations including at Heads-of-Delegation level, for further inputs and political guidance to our process.

I will report on all my consultations during the next CoA SS meeting in mid-October.

As I have stated on numerous occasions, I am a facilitator - so negotiations can only progress if they take place between Members, and not between individual Members and me.

Therefore, I am encouraged by the indications provided about ongoing work between various groups of proponents and non-proponents to explore possible areas of convergence on some of the key negotiating issues.

This type of work is indeed needed as there are still strong divergences in Members' positions on a range of issues, in particular, on DS and PSH which are the core issues that will determine the level of ambition of the overall outcome.

Of course, other topics are also important for an outcome and in this context I would like to take this opportunity to recall the upcoming celebration of World Cotton Day on 7 October.

The negotiations have now entered the final stretch. I will ask Members to demonstrate pragmatism, realism, and compromise and work together with a heightened sense of urgency to further narrow down their differences and find realistic landing zones.

The next open ended CoA SS meeting is scheduled to take place on 14 October and we need to have a clearer view on the landing zones and possible shape of an outcome by that time.

**ORAL REPORT BY AMBASSADOR KADRA AHMED HASSAN (DJIBOUTI),
CHAIR OF THE SPECIAL SESSION OF THE COMMITTEE
ON TRADE AND DEVELOPMENT**

It will be recalled that, in the first half of 2021, I held a series of informal, open-ended meetings of the CTD SS. The purpose of these meetings was to explore how to move forward on the ten Agreement-specific proposals on special and differential treatment submitted by the G-90.

The discussions that took place in these meetings unfortunately triggered little in terms of substantive exchange. Indeed, I did not see the level of engagement among Members that I had hoped on the substance of the proposals.

Members' perspectives on the G-90 proposals also differed. On the one hand, the delegations with concerns on these proposals were not willing to engage in discussions on substance, as they stated that these proposals had already been considered before. On the other hand, and in response, the G-90 – with the support of some other Members – said that they had provided sufficient rationale for their proposals, both in their written submissions and in their oral interventions, and that the proposals now provided a good basis for taking the discussion further. They also expressed regret that they were not getting proactive engagement from all Members.

I shared my assessment, as you recall, at the Informal TNC–Heads of Delegation meeting of 23 July that, unless there is real engagement on the substance by all Members, we will not be able to make the progress that we need to see in order to have a concrete outcome on the G-90 proposals by MC12.

I would add that I listened with interest to the frank and open discussion on S&D that took place at the General Council meeting of 27 and 28 July, on the basis of the G-90 Declaration on S&D circulated in document WT/GC/234. In my view, this is the kind of dialogue that will be needed if Members are to ultimately resolve the difficulties surrounding S&D, including in the context of the negotiations in the CTD SS.

Members had the opportunity to pick up on the work of the CTD SS at a formal meeting of the Committee held on 24 September. At the meeting, the G-90 introduced a new submission, circulated on 14 September in documents JOB/DEV/65 and JOB/DEV/97. As I understand it, the document provides further rationale for the G-90 proposals, and builds on the earlier submissions by the proponents.

However, I regret to say that, in the course of the discussion, I did not detect any significant shifts in Members' positions on the G-90 proposals. Indeed, well-known positions were essentially repeated. The stalemate in the CTD SS therefore continues, although it should be said that several Members, some with differing views on the G-90 proposals, did nevertheless recognize S&D as a fundamental pillar of the multilateral trading system.

I took the opportunity to once again stress the importance of finding a way forward in these negotiations, while also reiterating that it is in Members' hands to find this way forward. As Chair, I will certainly convene as many meetings, and facilitate as many discussions, as are needed. However, it is ultimately for Members to show the necessary flexibility and political will to collaborate, so as to collectively determine how the work in the CTD SS can advance.

With this in mind, and in view of the limited time remaining until MC12, I emphasized the need to pick up the work in the CTD SS with a sense of urgency. As I said at the meeting, I remain committed to working with Members to see whether it may be possible to arrive at a concrete outcome on the G-90 proposals by the time of the Ministerial Conference. I shall therefore be continuing to reach out to delegations for informal consultations in the coming weeks, in order to try to make the required progress.

Finally, I think it is worth making the observation that the difficulties surrounding S&D will not simply go away. This is why I strongly believe that it is only by tackling these issues and working together that Members will be able to find the much-needed solutions and to bridge the existing gaps. I therefore call on Members to participate actively and constructively in the informal discussions that I will be organizing, and I repeat once again the need for urgency in our work, given that MC12 is literally just a few weeks away.

**ORAL REPORT BY AMBASSADOR ZHANAR AITZHANOVA (KAZAKHSTAN),
CHAIR OF THE SPECIAL SESSION OF THE COUNCIL FOR TRADE IN SERVICES**

I am pleased to provide you today with my report as Chair of the Special Session of the Council for Trade in Services.

In my report to the TNC in July, I indicated that I had heard a good level of support for having a paragraph on services in the MC12 outcome document, in the context of the built-in negotiating mandate under Article XIX of the GATS. Elements mentioned by delegations for a text then included the following: - underscoring the exploratory discussions undertaken in the CTS SS since MC11; - recognition of the pandemic's impact on services; and, in that context, reaffirmation of the built-in agenda to revitalize work.

In July, I asked that interested delegations submit their proposed language before September, and a group of Members circulated their proposed text on 26 August. We discussed this matter during an informal meeting of the Special Session last week, on 22 September.

Overall, I think that discussions at our meeting confirmed a broad level of support for having a short text on services in the MC12 outcome document. Reasons mentioned for having text in relation to Article XIX included the growth in the economic impact of services and the impact of COVID-19, and the role of services in post pandemic economic recovery.

We had a good discussion on the text proposed by the group of Members. Certain reservations or sensitivities were voiced, and specific comments and further text proposals were put forward, and I think that most delegations that intervened saw that there was a good basis for further focused discussions.

As I stressed in my concluding remarks at the meeting, I do not see the proposals discussed envisage that MC12 would mark the re-launch of negotiations. In my view, the intention is more about sending a political signal on the importance of engaging in the context of the built-in agenda; and it is more about agreeing to have a discussion about the negotiating agenda after MC12, rather than about agreeing to start negotiations. I think it is important to keep this in mind as delegations aim to engage in a constructive manner and consider possible language for a ministerial outcome document.

Chair, I had observed in July that converging on text would only occur if a good dose of realism and pragmatism was exhibited. With the limited time left until MC12, this is even more true now.

I encouraged Members that had proposed text to discuss and explore synergies, and I offered to conduct small group consultations. Some delegations signalled that they might table new text proposals, and I encouraged them to build on the texts and suggestions already made and to engage in consultations with interested Members. I will look to convene further meetings of the Special Session in October to report on consultations and identify areas of convergence on text.

**ORAL REPORT BY AMBASSADOR SANTIAGO WILLS (COLOMBIA),
CHAIR OF THE NEGOTIATING GROUP ON RULES**

As you all know, the Ministerial-level meeting of the Trade Negotiations Committee (TNC) took place on 15 July when Ministers instructed us to finish the fisheries subsidies negotiations as soon as possible, and well before MC12. And, to get there, we should work towards collectively improving the draft text to use during line-by-line negotiations.

On that basis, on 30 July, I circulated an outline for a two-stage work programme for the fall.

The first stage, starting 1 September through to early October comprises consultations in different formats with interested delegations and intensive text-based work. The objective of the first stage is to discuss what Ministers identified as "macro issues" with a view to collectively improving the draft text to be used in the next stage, starting in mid-October, of line-by-line negotiations.

For the second stage, the idea is to meet in open-ended format every day to go through the text clause-by-clause with an aim of producing a clean text well before MC12. We will need to leave enough time for Capitals to consider the results of the work, so I have suggested that we aim to finish this second stage by late October.

So, as I make my report today, we are currently nearing the end of the text-based discussion of "macro" issues with about one week left. Over the last three weeks, I held a number of plenary sessions and small group meetings, and also have tried to allow a good amount of time for Members to engage with each other, and with me if so requested. The discussions in the meetings largely focused on the overcapacity and overfishing pillar, including the perceived imbalance that has been raised by some Members, as well as the prohibition of subsidies to fishing or fishing related activities in areas beyond national jurisdictions. We also have had some discussions on notification and transparency and non-specific fuel subsidies. Next week we will hold sessions on transparency and notifications, and automaticity under the IUU pillar.

I would like to thank all delegations for their active engagement so far.

As anticipated, the discussion on the perceived imbalance in Article 5 has been challenging. Therefore, today I would like to focus on this part of the work of the NGR over the past few weeks. My first point would be that the idea of where the balance should lie varies among Members. Some see a need for an internal rebalancing within Article 5.1; some see this need within Article 5.5; others see the need for a different balance between Articles 5.1 and 5.5; others see the question as one of balance between the obligation to respect sustainability and the right to provide subsidies; and many other Members continue to see that the current draft strikes the right balance.

I have to admit that I am quite concerned with the current dynamics. Although I knew that a major breakthrough might not be possible in this phase of our process, I had hoped that we would see steady and incremental progress toward greater convergence, as Members engaged in a very focused and highly interactive process of considering the specific provisions in the draft text.

While the discussions have become considerably more interactive than they were before the summer break, it is unfortunate that we still have a lot of statements of position being read, rather than the text-focused process I had imagined and planned. Of particular concern, some of the statements do not show evolution or openness to evolve positions. In fact, I have heard several statements about consistency and long-held positions. While consistency can be very positive in many situations, for negotiations, if positions never change, no progress can be made. I want to emphasize that this is not the case for all delegations. There are quite a few whose positions have evolved considerably, toward the middle, over the past months and even recent weeks. I believe that such a spirit of compromise is what we need, and it should be acknowledged.

Among the new ideas that we have seen, some would replace entire articles with a new approach, structurally and substantively rather than working within the existing structure of the text. Members of course have the right to make such proposals as they wish. And any proposed change that attracts greater convergence is of course most welcome. Where this is not the case based on the reactions of other Members, it is important that the proponents be willing to engage with others in a solution-oriented discussion to address the specific concerns that underlie that proposal.

Here I would note that there are always multiple possible routes to address any given concern, not all of which necessarily require a direct and explicit provision. The goal needs to be to address the concern while providing sufficient comfort for other Members with different concerns. Thus, the fact that a proposal is not simply copied and pasted does not mean that the proponent's concerns are not being addressed. While again acknowledging the right of each Member to put forward arguments and proposals, I know that I am not alone in being concerned that, if the current dynamics of engagement are maintained, we risk going backwards, not just to where we were before the summer break, but by years or even decades.

A number of Members have noted that the structure of Article 5 in the draft text was a response to several competing ideas about the basic approach to disciplines on subsidies that contribute to overcapacity and overfishing. This hybrid approach in the text, which took elements from these previous proposals, has evolved considerably since it was first presented in June last year, and seeks to create a careful balance and complementarity between the different parts of the article. That evolution was driven by inputs from many Members, developed, developing, and least-developed. It is of course not perfect, and can be improved. But to improve it, means to make it more acceptable to more Members, through drafting changes that better accommodate the considerably diverging concerns of Members in the critical provisions of the disciplines.

I am raising these points today because according to our work programme, we have completed the text-based discussion on Article 5 addressing the "macro" issues that were identified. In a couple of weeks, we are expected to begin line-by-line discussions.

We have all heard calls for a revised text to use in those discussions. At this point I am reflecting deeply on how much clarity, if any, the discussions we have held these past couple of weeks have provided on textual changes that would attract greater convergence. I would invite all Members to also reflect on this question, taking into account everything that other Members have said during our meetings this fall.

MC12 is very close. If we are to follow the instruction from Ministers in July and deliver to them a clean text well ahead of the Ministerial, we need to start getting much more focused and pragmatic. To help prepare for today's TNC, I went again carefully through the statements by the 102 Members who took the floor at the July Ministerial meeting. That day, while no Member said the text was perfect, nearly all Members – from all regions, and representing all levels of development - indicated that the current text was a good basis for reaching a landing zone, with some of course pointing to particular areas where they would be seeking changes as the negotiations moved forward. No delegation indicated that it could not work with the text.

With all of that being said, this remains a Member-led process, so I can only keep emphasizing that Members need to continue to speak to each other, especially to those with different views, and to think creatively and pragmatically to find textual approaches that could accommodate to the greatest extent possible their diverging interests. I look forward to hearing from you. As you know, my door is always open and I would be happy to join any configuration you may organize, if you think that is useful.

Allow me to conclude, DG, with a brief thought. Colleagues, let us not forget that we are negotiating; we are not just debating. In this process no Member's goal should be to 'win the argument' or to convince the other that the only way forward is its own position. Unfortunately, however, at times it seems like our discussions tend to go that way. Based on the history of the past 20 years of negotiations, I believe that if everyone adopts that approach, it will lead us to a lose-lose situation. Again, let's be reminded that we are negotiating, and as for any negotiation, Members' approach should be to work together - and work hard - towards reaching our common goal. We are seeking a win-win situation.

I sincerely hope that in the few weeks left before MC12, we all are able to adopt this mindset. If we do, colleagues, I'm convinced we will succeed.

This concludes my report.

ANNEX 3**STATEMENTS BY MEMBERS AT THE INFORMAL TNC AND INFORMAL HODS MEETINGS
HELD ON 30 SEPTEMBER 2021**

Following the General Council Chairman's statement under Item 1 of the agenda of this meeting – "Report on Informal TNC and Informal HODs Meetings", the statements delivered by: Brazil, Switzerland, Mexico, Japan, Turkey, Mauritius (African Group), Chile (Structured Discussions on Investment Facilitation for Development), Bangladesh, Australia (Joint Statement Initiative on Electronic Commerce and CAIRNS Group), Norway, the European Union, Singapore, South Africa, Tunisia, Jamaica (ACP), Kingdom of Saudi Arabia (Arab Group), New Zealand, China, the Philippines, Indonesia, the United Kingdom, Costa Rica (Joint Initiative on Services Domestic Regulation), the Russian Federation, Chad (LDCs), India, Uruguay (Informal Working Group on MSMEs), Argentina, Mongolia, Iceland (Informal Working Group on Trade and Gender), Egypt, Nigeria, Panama (Article XII Members), Republic of Korea, Pakistan, Hong Kong, Chinese Taipei, Nepal, Canada (Structured Discussions on Trade and Environmental Sustainability and Ottawa Group), Uganda, Viet Nam, Colombia, Bolivarian Republic of Venezuela, Sri Lanka, Republic of Moldova, Honduras and Cameroon; are included below as part of the Minutes of the General Council meeting.

1. Brazil

Brazil is strongly committed to the multilateral trading system, supports a reform that modernizes and revitalizes the WTO, and sees the MC-12 as a stepping-stone in that process of reform and of strengthening the Organization.

Since the beginning of this year, Brazil has circulated ideas on what should constitute a package for MC12. As we are less than two months away from the Ministerial Conference, it is time to consider very carefully the content of such package of deliverables. We need to send a message at MC12. A clear message that the WTO can deliver solutions to current trade issues.

As we expressed in our JOB/GC/253 for the informal GC, of March, we should consider four elements for a MC12 package:

Trade and Health: we need a deliverable that confirms the relevance of international trade and WTO rules when facing the challenges posed by current and future pandemics. We welcome the work being carried out by Ambassador Walker and the recent US conceptual document on Trade and Health. It complements the Ottawa Group's Trade and Health Initiative and we are confident that we can now find a multilateral agreement for Ministers at MC12.

Agriculture: WTO rules, which advance international trade, are also vital for addressing the global challenges of food security and sustainability. Establishing a process to update the agriculture rulebook on domestic support - as per article 20 of the Agreement on Agriculture -, enhancing the work of the SPS committee, and looking into the future of agriculture trade and sustainability are vital components of a package. Food security is about access to food, and international trade plays a fundamental role. Brazil is ready to work constructively on all those fronts. But let me be clear: efforts to roll-back current trade rules in agriculture, to create new barriers to agriculture trade disguised as environmental protection, or to legitimize distortive subsidies via instruments such as PSH are dealbreakers for Brazil.

Fisheries: We must conclude the fisheries subsidies negotiations with the highest component of sustainability. If we are not able to reach an agreement by MC12, we need to be realistic about the prospects of the dossier at the WTO. It will certainly send a negative message about our collective will to work in the intersection between trade and sustainability.

Finally, regarding institutional reform and revitalization of the WTO: we certainly need to launch negotiations at the MC12 aimed at restoring the functionality and full effectiveness of the dispute settlement system before MC13, as well as to explore the pathway that leads to the flexible geometry of plurilateral negotiations at the WTO. Brazil and the EU have proposed the creation of a working group with exactly that purpose. Reinvigorating the dispute settlement and the negotiating pillars of this Organization is of critical importance for those Members that wish to move trading rules forward - into the future - and to strengthen the WTO.

Brazil's engagement will be based on these parameters in the next few months.

2. Switzerland

The situation is serious and progress made since the resumption of work after the summer break is insufficient. It is high time to adapt our working methods. This means focusing efforts on priority issues. It also means adjusting expectations to the conditions of each negotiating area. And we should do this as soon as possible if we want a successful MC12.

Trade and health is a key issue. The situation is constantly evolving. Thanks to numerous partnerships, the pharmaceutical industry has managed to increase production exponentially. Such partnerships are based on the legal certainty provided by the IP framework. But as we know vaccines do not save lives. Vaccination does. We therefore need to address distribution and access issues and work with relevant actors such as COVAX.

Work under Ambassador Walker's leadership has shown that the WTO can make an important contribution to improving the management of pandemic crisis. Indeed, disciplining trade restrictions, facilitating trade, creating greater transparency and a health market information system can make a real difference to ensure the flow and availability of medical goods. The protection of intellectual property also has a role to play in a holistic approach to pandemics.

Concluding the negotiation on fisheries subsidies at MC12 remains a priority. We should avoid making de novo proposals that hinder convergence. The chair's text is the outcome of a lengthy negotiating process and provides a good approximation for an agreement. We should use it as a basis and make the necessary adjustments to reach a consensus.

Regarding agriculture, we need to adjust expectations and the level of ambition. A drafting exercise should be based on a concise and consensus-oriented text. In our view, immediate outcomes for MC12 may consist of exempting the World Food program from any export-restrictive measures as well as of transparency elements. Beyond that, we should aim for a balanced work programme that does not pre-empt outcomes.

Switzerland furthermore welcomes the exploratory exchanges on market access for services and calls for a deepening of these discussions.

A common understanding of the way forward after MC12 will also be important for systemic issues, including WTO reform and dispute settlement.

In addition, we look forward to making concrete progress on all joint statement initiatives. With the finalisation this week of the Reference Paper on domestic regulations in services, the conclusion of negotiations is within reach. This will send a strong and positive signal to the WTO stakeholders that the organisation can deliver. And this is a good omen for MC12.

3. Mexico

I want to start once again by thanking you for your report and to the Chairs of the negotiating groups and the coordinators of the Joint Initiatives for their respective reports and work.

Madam Chair, we are now two months from the beginning of the Ministerial Conference, which will take place after 4 years, we have to be responsible and realistic in what we can achieve.

On the one hand, we appreciate the efforts and flexibility shown by the participants in the work of the Joint Initiatives, which are moving forward and yielding results.

On Services Domestic Regulations, we have finally achieved a stable text and been able to eliminate the pending square brackets, which leads it towards an outcome at MC12. We are also pleased that other delegations have joined that Initiative, making us 65 participants, and we hope that many more will.

Concerning MSMEs, we want to acknowledge the work done under the leadership of Ambassador Cancela, in the discussions and approval of a Ministerial Declaration, and a package of six voluntary and non-binding recommendations.

The other two JSIs, on Investment Facilitation and Electronic Commerce, are still showing convergence and significant steps forward. However, this momentum has not been transferred to the multilateral level, which forces us, in a way, to recalibrate our expectations for December.

On fisheries subsidies, the issue to which we have all committed ourselves and which has been identified on multiple occasions as a priority to achieve a result in MC12, we see with concern that the Chair's text is being confronted with new proposals at this late stage which, far from bridging gaps, have a completely different effect.

On agriculture, a topic of special interest to many developing countries and where there has been little progress since Nairobi, unfortunately, and despite the efforts of Ambassador Abraham, we see that there is not enough appetite or flexibility to achieve an ambitious result in MC12. However, we must ensure we establish work programs that focus and streamline our discussions to continue the reform process towards the Ministerial Conference.

Regarding trade and health, it is important for our delegation that the MC12 reflects the commitment of the WTO to the economic recovery from this and future health crises. In this sense, we support and appreciate the work of Ambassador Walker focused on outlining the response of our organization.

Finally, Chair, we have very little time left and we need to act with pragmatism, while we must be efficient in our work and refrain, as far as possible, from presenting last minute proposals that do not contribute to reaching consensus. Due to the health situation and the potential absence of some Ministers at the Ministerial, we cannot allow ourselves to reach MC12 with open texts and highly polarized positions, we must act responsibly, and you can count on my delegation to do that.

4. Japan

Thank you, Chair. Only two months remain until MC12, but wide gaps remain among Members. Members should be realistic, focus on areas where concrete outcomes are most needed, particularly the fisheries negotiation and the pandemic response, and accelerate efforts to build convergence with a sense of urgency.

Fisheries negotiation

With MC12 fast approaching, now is not the time to expand our discussion. We should really focus on the current text and its adjustments. Departure from the current structure, which reflects long-time negotiations, will not help. We have to find a landing zone with the mindset that all Members contribute appropriately to marine sustainability through disciplines on fish stocks that each Member is responsible for themselves. Japan is ready to engage in the final phase of negotiations under the guidance of the Chair, Ambassador Santiago WILLS, toward achieving a meaningful outcome.

Pandemic

It is crucial for the WTO to deliver a concrete outcome on its response to COVID-19. At MC12, we should agree on a meaningful Ministerial Declaration on health that holistically includes important factors, in particular, trade facilitation, export restrictions, production expansion of COVID-19 vaccines and therapeutics, as described in the draft General Council Declaration on Trade and Health (WT/GC/W/823/Rev.1), and intellectual property. We greatly appreciate efforts by Ambassador Walker as the facilitator and Ambassador Dagfinn SØRLI as the TRIPS Council Chair.

Agriculture

On agriculture, let me express my gratitude for the efforts made by the COASS Chair, Ambassador Gloria ABRAHAM PERALTA. As the world's second largest net-importing country, transparent and predictable agricultural trade is vital for Japan's food security. This is why we have engaged actively in the agricultural negotiations. However, in the last two COASS meetings, we all witnessed huge divergence among Members.

Given the short time remaining, it is high time to recalibrate our ambition and seek a realistic outcome that includes: i) meaningful but simple work programs; and ii) transparency that is

essential to both monitor the WTO obligations and to pave the way for informed negotiations. In this regard, the EU, the US, Canada and Japan have submitted a concrete proposal (JOB/AG/213) that seeks to streamline and update the current transparency requirements in all areas of agriculture. Japan will continue to engage in the discussions to ensure a positive and balanced outcome on agriculture.

Moratorium on customs duties on electronic transmissions

Japan believes the moratorium on electronic transmissions should be made permanent, or at least, renewed at MC12. Failing to do so would damage the certainty and predictability of e-commerce and entire international trade. We appreciate the General Council Chair's efforts to facilitate discussions for building consensus.

Dispute settlement

The reform of the WTO dispute settlement system remains a matter of urgency. At MC12, ministers should provide guidance toward restoring the proper functioning of the dispute settlement system.

JSIs, Other issues (environmental sustainability, LPF)

Japan has high hopes for achieving concrete outcomes on the JSIs at MC12. Negotiations on services domestic regulation is almost complete. We believe the participating Members will be able to announce the successful conclusion of the negotiations at MC12, which will send a positive signal to the world, particularly to businesses, and give further momentum to other JSI negotiations. On e-commerce, Japan, together with the other co-conveners, Australia and Singapore, would like to facilitate and intensify negotiations on key issues such as cross-border data flow. We also expect substantial progress in investment facilitation.

We believe trade and environmental sustainability is one of the emerging issues that the WTO should tackle beyond MC12. Last but not least, Japan continues to attach importance to ensuring a level playing field, including strengthened rules on industrial subsidies, SOEs, and forced technology transfer. We would like to promote this important agenda at the WTO.

5. Turkey

We would like to thank you and the Negotiating Group Chairs for their detailed reports. As we draw closer to MC12, it is very important to take stock, assess where we are in terms of progress and see what we can do to seek convergence.

Regarding the fisheries subsidies, negotiations should result in the elimination of harmful subsidies with the sustainability element accessible by all Members as well as consideration of fishing activities in regulated areas of coastal Members and RFMOs at its core.

We also believe that we have to ensure appropriate and effective S&DT provisions for developing country Members. But at the same time, it is equally important, if not more so, to develop comprehensive and effective disciplines which can successfully prohibit harmful subsidies. We believe that any outcome should be meaningful and balanced for each and every member in line with our mandates.

We observe that divergences still exist on key issues. But the middle ground can be closer than we think. It is only true if Members with divergent positions on key issues can immediately start taking steps to reach there. We fully support NGR Chair's tireless efforts in this regard.

As for the agriculture, Turkey underlines the need and the urgency to address the imbalances in the Agreement on Agriculture. We believe that AMS beyond de-minimis is the most trade distorting aspect of the Agreement to which the priority should be given for a rebalancing effort.

We also support the timely call of G-33 for SSM and PSH. Being mandated issues, both are also critical for food and livelihood security, exacerbated even more with the pandemic, especially in developing countries.

At the same time, we now have only two months before MC12 and divergences are quite pronounced. It seems extremely difficult to achieve meaningful results and we have to be realistic. Agreeing on a work plan which will include substantive steps seems a viable option at this stage.

Madam Director General, when it comes to trade and health nexus, with the new variants emerging, equal access to vaccine has become the main issue.

Since the start of the outbreak, Turkey has done its best to help others and provided medical equipment assistance to 159 countries and 12 organizations. We have already announced that once our vaccine is ready, we will offer it to the whole of mankind as a global public good. That is why the affordable and rapid supply of vaccines must continue to be prioritized.

The challenges brought by the pandemic are too great and complex to be overcome by states individually, so we have to step up our efforts here also at the WTO. It is clear that Members have differing positions on this question: How the WTO can respond to the pandemic? And we do also have our own reservations on some parts of the proposals already on the table.

The pandemic has clearly shown that trade is, in fact, a significant tool for ensuring adequate and swift access to the goods and services in times of public health crises. While engaging in this delicate issue, we should make sure that our approach is inclusive, provides necessary policy space and does not result in alienating countries from the multilateral trading system.

We welcome the good progress in plurilateral initiatives on services domestic regulation, e-commerce and investment facilitation for development. We also welcome the recent increase in the number of participants of respective JSIs. We are very pleased to have removed the brackets in the reference paper on services domestic regulation. We are looking forward to its successful conclusion at MC12.

On the other hand, for a further inclusive trade, Turkey attaches utmost importance to the work of Informal Working Groups on trade and gender as well as MSMEs.

Chair, in concluding, we wish to reiterate our position on the dysfunctional Appellate Body. This is a major and critical issue for the organization. Turkey believes that investing our energy on finding multilateral ways to maintain the two-tier character of the dispute settlement system is the most appropriate way. In the run up to MC12, we wish that we can start focusing on steps to restore this mechanism and revitalize the Appellate Body as soon as possible. In this regard, we hope that we can initiate a fruitful engagement before and during the Ministerial.

6. Mauritius (African Group)

Thank you Chair, I also thank the Chairs of different committees for their reports and commend them for their commitment to advance the work of the WTO.

The African Group reiterates its commitment to constructively engage in discussions with a view of achieving a successful outcome at MC12.

Fisheries Subsidies

On fisheries subsidies, the African Group position is well known to all and we are not going to repeat them here. We will continue to contribute to the discussions in order to reach a balanced and effective outcome that create disciplines to reduce the most harmful subsidies, meet the sustainability objectives, and at the same time, provide for effective and appropriate SDT.

We are still concerned about the effectiveness of Article 5.1.1 which we feel will maintain the status quo for most major subsidisers. Its current formulation does not meet the sustainability test and we have stated the changes in this regard.

On the other hand, in view of the weakness of the SDT provision, the African Group along with the ACP Group has proposed amendments to Article 5.5 in document RD/TN/RL/146. We believe that our proposal provides a good basis for further discussion and to craft appropriate and effective SDT as required by the negotiating mandate.

As we prepare to start text-based negotiations, the African Group requests that its proposal be included in the text and we call for flexibility from all so that we have an agreement to present to the global community by MC12.

Agriculture

Chair, with regard to the negotiations on Agriculture, we have carefully examined the CoA-SS Chair's proposals contained in JOB/AG/215 and we thank her for her efforts.

We, unfortunately, note that little progress has been achieved so far.

Food security, livelihoods and resource poor farmers remain priority issues for our Group. We, therefore, believe that low income and resource poor producers should continue to be supported through the preservation of Article 6.2 entitlements.

On PSH we seek outcomes that effectively address the difficulties of the Peace Clause, especially product and programme coverage until a permanent solution is agreed upon.

On SSM, we believe that Members could agree on an interim decision that would make Special Safeguards usable by developing countries until a full fledge mechanism is instituted.

Finally, on the domestic support pillar, we believe that Members should take meaningful reduction commitments for above *de minimis* AMS. This will be a significant step forward towards addressing the historical imbalances in the Agreement on Agriculture and a positive move in levelling the playing field. The Africa Group remains ready to discuss concrete proposals and solutions to addressing AMS above *de minimis* at MC12

Chair, on Cotton, the African Group supports the C-4 proposals and urge Members to favourably consider their proposals for reform in this sector.

The African Group has submitted its proposals on all these issues and we remain open to discuss our suggestions. We are also working on textual amendments to the Chair's text and we will make our submission soon.

TRIPS Waiver

Chair, it is almost one year since India and South Africa introduced document IP/C/W/669 on 15-16 October 2020, requesting a waiver from certain provisions of the TRIPS Agreement for the prevention, containment and treatment of COVID-19.

What was feared happened - with millions of deaths, and we are faced with global socio-economic breakdown as national economies, especially small and developing ones, are under unprecedented pressures. For instance, the crash in international tourism due to the coronavirus pandemic is estimated to cause a loss of more than \$4 trillion to the global GDP for the years 2020 and 2021.

Unfortunately, we continue to discuss as people are dying. We also note with concern that a handful of Members with high vaccination rates and abundant resources have refused to engage on the Waiver proposal. Africa with a dismal rate of 5% of COVID-19 vaccination, remain a very fertile ground for the incubation of new variants.

Any protracted debate and inconclusive debate will only worsen the situation rather than address the shortage and inequitable distribution of vaccines. If the WTO were to show the world that it is effectively contributing to address the pandemic, conclusion of the TRIPS waiver discussions at the earliest would be central.

Special and Differential Treatment

The Africa group underscores that SDT provisions should be strengthened and more precise, effective and operational. With this in mind, the G90 presented its aspirations in document WT/GC/234 that was considered at the last General Council. We further developed and submitted another comprehensive document, JOB/TNC/97, which was discussed at the last CTD-SS meeting in formal mode on Friday 24 September.

The Group believes that the draft Ministerial Decision to be submitted by the G90 shortly would strengthen the rightful place of SDT as a fundamental pillar of the WTO. We call on Members to continue engagement towards an MC12 outcome.

E-commerce Work Programme

Let me touch upon the concerns of the African group with regards to the digital divide which became apparent during the pandemic. We have on many occasions mentioned that, unlike developed countries, Africa was unable to adopt digital solutions to address the pandemic related challenges. We, therefore, reiterate our call for the reinvigoration of the 1998 Work Programme on Electronic Commerce. This will help us to come to grips with the multifaceted implications of the rapid advances in innovation and technologies in this area, and focussed consideration of the developmental challenges and opportunities that these present, especially for developing and least developed countries.

Other Items

Trade and Environment

Chair, allow me to make a few remarks separately from the Group statement. I have heard several delegations referring to the issue of Trade and environment as an emerging issue.

This issue has been at the WTO for a very long time. We are all concerned about the state of the environment and we all want to do what is best for the environmental sustainability. However it remains to be seen what is the nexus being proposed between trade and the environment and whether it will lead to the imposition of standards that exceed what has been agreed upon multilaterally.

Maritime Freight and Costs

I wish to draw your attention Chair to an issue that is of strong concern to us with the Pandemic as background. This concerns the scarcity of maritime freight and escalating costs of such maritime freight with negative impact on our trade. The Ambassador of Mongolia and I were discussing whether to bring forward a declaration at MC 12 on this issue but I am uncertain as to what rules, if any, could be activated to address this. In a conversation with the Ambassador of Singapore, he suggested a webinar.

Drawing on the formidable manner in which you brought together, DG, the pharma industry with WTO and WHO to address the vaccines issue, I would request you to consider replicating this exercise on the issue of maritime freight to facilitate a conversation with Industry.

7. Chile

Director-General, please allow me to take the floor on behalf of Chile. Let me start on a positive note. The conclusion of the text-based discussions on domestic regulation is excellent news for the World Trade Organization (WTO), mainly because it was the result of the compromise and flexibility shown by two important Members. We should all follow their example! The e-commerce negotiations have also gained momentum, including during the summer, and my recent report reflects the steady progress made in the investment facilitation talks. We expect tangible and ambitious results for the Twelfth Ministerial Conference (MC12). The positive developments in these joint initiatives should make us reflect on their advantages as a route to finding solutions to the economic challenges of the 21st century. More on this at the next meeting of the General Council.

Having said that, we are concerned about the lack of progress and, in some cases, setbacks seen in certain critical areas of negotiation. This should also give us pause for thought.

In the area of fisheries, we are grateful for Ambassador Wills' report and his tireless efforts to close gaps, attain convergence and find landing zones. However, his work is being hindered by a significant number of proposals that seek to alter the agreement architecture, distracting us from the purpose of these negotiations. We had understood and were relieved to have been repeatedly assured that

no one wishes to grant subsidies for unsustainable fishing. Unfortunately, a number of recent proposals seem to indicate otherwise.

At this point, when we are closer than ever to reaching an agreement, we cannot afford to reopen questions that have already been settled, nor put forward ideas that have been rejected in the past. Chile considers that a balance can be struck if the major subsidizers lead by example and commit to eliminating part of their subsidies, while the developing world undertakes to meet progressively the obligations contained in the text. The discussions should focus on the relationship between Articles 5.1.1 and 5.5 to achieve this balance and get negotiations back on track. Looking for a technical draw where no one commits to anything in terms of fisheries subsidies would only punish future generations.

In the area of agriculture, we appreciate and support Ambassador Abraham's efforts. Her text, introduced before the summer break, is an honest contribution to sensitive negotiations, covering many pillars and in which we all have a stake. We consider the text to be a good basis for the negotiations, although we would have liked some of the pillars to be more ambitious. There are also certain imbalances. However, the reaction of other Members was less positive and the positions of many groups became more intractable. We would reiterate that transparency alone is not sufficient for an agreement at MC12, nor is it a permanent solution to public stockholding (PSH).

The third area that is a priority for November is Trade and Health. We will make our comments on this topic at the next meeting of the General Council.

These three areas, together with WTO reform, are the key, priority areas that our Ministers should give due attention and take appropriate decisions. This is what they will be judged on.

I would like to thank the Chair of the Special Session of the Council for Trade in Services for her report. Any "outcome document" emanating from MC12 should mention trade in services. We invite all Members to consider the proposal by Chile and other Members (RD/SERV/156) as a basis for discussions. We trust in the Chair's leadership to achieve results.

The process being carried out by the Chair of the General Council has given us some insight into what the Ministerial Declaration will look like, its context and political messages. We are moving in the right direction. However, we must, on the one hand, expedite discussions based on a first draft of the Ministerial Declaration to be presented by the Chair, and, on the other hand, lower our expectations so that the draft does not become an overdressed Christmas tree that is impossible to manage and agree in the few weeks that are left.

Chair, we have 62 working days before the start of the Ministerial Conference. We must prioritize our concerns and goals. We must refrain from repeating our positions and not try to return to issues that have already been resolved. We must be realistic. For this delegation at least, we would prefer to have to explain in December why we achieved results only in some areas, rather than why we failed. Again.

8. Bangladesh

Madam Chair, I thank you for convening the informal TNC meeting ahead of the GC meeting scheduled next week. I hope this will help review the negotiation process on various important trade issues and our overall preparation as we strive to achieve some tangible outcomes at MC12. I would reiterate what you very often speak, if we want concrete outcomes, we have to maximize the very short time and optimize every little opportunity that we have at our disposal before MC12.
Madam Chair,

We thank the distinguished Chairs of the different negotiating groups for their comprehensive presentations on the status of negotiations in their respective areas. I cannot agree more that we need to make further progress in order to contribute to the deliverables of MC12 and thereby strengthen the multilateral trading system.

We echo the views of others that the text of fisheries subsidies needs to be balanced and we should strive to achieve that in the negotiation for reaching consensus taking due care of the concerns of the developing countries, particularly of the LDCs. We have already done enough damage to our precious marine resources. If we want to save it from further deterioration, we need stronger

prohibition. We are of the view that reverse SDT under the current draft provision under article 5.1.1 would not be able to bring such strong a prohibition. Also, a single prohibition would be unable to serve the purpose of the entire Membership as they are at different levels of development.

We must limit our debates within the mandate, as my delegation earlier has emphasized. We need to be constructive, pragmatic, flexible and solution-focused as DG has just mentioned, if we want to have the fisheries subsidy as a possible deliverable of the MC12. Any deviation will make things complicated.

Madam Chair, as you are aware, the LDC group has a submission regarding a draft MC decision on Graduation under consideration by the General Council seeking extension of LDC specific S&DT and other support measures for a certain period after graduation. We have noted with thanks that Members largely support this call of the LDCs. We are most thankful to delegations who we met in the past few weeks for their support, sympathy, and suggestion to advance this proposal. The LDC group is working on the inputs and suggestions. We are also grateful to the GC Chair Ambassador Dacio Castillo for his informal consultations with different groups and individual delegations. We hope that Members will favourably consider this submission as an achievable outcome for the forthcoming MC.

Madam Chair, COVID 19 pandemic is continuing its devastation around the world with 2nd/ 3rd waves, and we are not sure when we will have a respite. Some countries are opening their economies with substantial progress in vaccination, whereas most others are struggling to control the pandemic with very little or no vaccine coverage. This unequal and inequitable situation with regard to vaccination is not going to secure us as nobody is safe, if everybody is not safe. The production and distribution of vaccines, therapeutics, and other medical equipment necessary for prevention, containment, and treatment of COVID-19 should be available to all, irrespective of who we are, where we are. In the immediate term, we need to scale up vaccine production through sharing of technology and formulas with those pharmaceutical industries who have the capacity to produce vaccines located in various parts of the world.

We appreciate the vaccine donation initiatives by some Members; however, we should also admit that supply of left-over vaccines and donation cannot be a sustainable solution to this pandemic. Without scaling up production of the vaccine and diversifying their distribution globally on an urgent basis we cannot stop the virus. Time is the essence.

We welcome your role, Madam DG, in brining important stakeholders including WHO across the table to discuss possible way forward. We want to see tangible progress. In our view, TRIPS or any other instruments should not hinder unconditional, affordable, equitable and timely access to medical advances made in fighting this deadly virus. Therefore, we would like to see completion in the negotiations of the waiver proposal at the TRIPS Council. We thank Ambassador Walker for his informal consultations with different groups and individual delegations to find an early outcome.

Finally, we look forward to working closely with all Members and engaging constructively in all the pending negotiations in the coming days.

9. Australia (Joint Statement Initiative on Electronic Commerce and CAIRNS Group)

I will first provide a report on work under the Joint Statement Initiative on Electronic Commerce on behalf of the co-convenors: Australia, Japan and Singapore.

Momentum in the negotiations remains strong. Since our last report in July, we have held one plenary meeting on 13 September, at which two further articles on which convergence had been reached were welcomed – on Online Consumer Protection and Open Government Data. These are high-standard texts reflecting the perspectives of a wide group of developed and developing countries, which will deliver important benefits for consumers and business. This takes the total number of articles on which we have reached convergence to six.

The meeting also featured a constructive discussion on options for capacity building and technical assistance under the initiative.

We issued an updated consolidated negotiating text on 8 September, which captures the good progress we have made so far. It contains around 20 per cent fewer square brackets than the consolidated text we issued in December last year.

The JSI remains open, transparent and inclusive: meetings are open to all WTO Members and papers are available on the WTO portal.

I look forward to more good progress in the initiative as we approach MC12.

10. Australia

The coming Ministerial Conference is like no other given the twin challenges we face: the once-in-a-century health crisis that has impacted on us externally, and the longest pause in rule-making in the history of this organisation, which has brought into relief the challenges we face internally.

Our sense of collective responsibility must rise to respond to these twin challenges.

This Delegation is of the view that we can – and must – make progress on a package that responds to the global community's expectations of us: to keep supply of vaccines and their inputs open during this pandemic, to promote the sustainability of fish stocks in our ocean and to promote global food security and sustainability through agricultural subsidy reform.

The MC12 trade and health package should include an outcome on the ongoing intellectual property discussions; a political declaration addressing issues such as transparency, trade facilitation and export restrictions; and an agreement to carry forward work after MC12, to ensure we are better prepared for the next crisis.

And as Ministers of the Cairns Group have been saying throughout this year, for the food security of the people, particularly those in developing countries, and for the sustainability of our planet we can and must set out meaningful parameters for a negotiation to tackle the scourge of agricultural subsidies, which, as the report to the UN Food Systems Summit has noted, now totals over half a trillion dollars.

Chair: it is now evident that our plurilateral negotiations are likely to deliver a big contribution to the success of MC12. We have a major opportunity to conclude the first of the Joint Statement Initiatives launched at our last Ministerial Conference, that on services domestic regulation. Services was the fastest growing area of world trade before the pandemic, and it is the sector that is most likely to help lead us economically in the recovery. On this negotiation we are very close indeed. Should we succeed, we will have given this organisation a major boost in revitalising its rule-making function.

We hope the same can be said in our multilateral negotiations. The window is narrowing. We should make no mistake: this is a critical moment for the future of multilateral rule-making. We therefore need to be cognisant of the significance of the moment, and ensure we rise to it with a sense of collective responsibility.

11. Norway

Thank you, DG, for your report, your sobering assessment, and your strong message. Thanks also to the negotiating chairs for their reports and efforts.

The next two months will be critical and show whether WTO Members can deliver credible and substantive outcomes at MC12. This is in particular true in the area of fisheries subsidies where we are entering the final lap in a long, hard marathon.

We have heard many voices at the Public Forum urging us on. Pointing to the importance of the agreement and questioning how we can do anything with any other environmentally related agreement if we can't do fish subsidies. We still believe that an agreement is doable - doable now - and that the Chair's draft text contains realistic landing zones for a deal.

Getting to a deal will require all sides to compromise, and as you said, DG, negotiating is a fine art. It also reminds me of an old hand in this house that used to say that "negotiations are about adjusting expectations".

From our perspective a balanced deal should target the largest fishing nations, while providing more lenient disciplines for the smaller fishing nations. To make the deal credible, the top 25 fishing nations in the Membership plus all developed country Members will have to adhere fully to the disciplines, where the disciplines for overcapacity and overfishing will be of particular importance. All Members in this group will have to ensure and be able to demonstrate that their subsidies do no harm.

At the same time, we need to accommodate the smallest fisheries nations' request for more lenient disciplines. We support the ACP request for a de minimis exception from the main prohibition of subsidies that can contribute to overcapacity and overfishing, without conditionality.

A *de minimis* of less than 0,8% of global catch adds up to less than 13% of global catch but covers some 70 developing country Members. Looking at the FAO statistics, even with these developing country Members increasing their capacity to fish sustainably, for most it will take a long time to exceed the *de minimis*. For those who do exceed the *de minimis* as some point in time, they should be able to attain the capacity to demonstrate sustainable fishing, as required by 5.1.1 and transparency commitments.

In our view, a balanced approach to special and differential treatment for overcapacity and overfishing could consist of the following elements: an exception for LDCs; a *de minimis* for a large group of developing country Members as just described; some transitional time for those larger fishing nations who need it for the purpose of attaining the capacity to demonstrate that their subsidies are sustainable, and; a 12 nautical mile exception.

On another point, let me underline that no subsidies - whether from large or small fishing nations, developed or developing - should be granted to fishing and fishing related activities in unregulated areas, that is in the high seas outside RFMOs and EEZs. This is precautionary. This is needed. This is a minimum for our disciplines.

If we finish this marathon together, we will have contributed positively to the sustainability of the world's fisheries resources and to the sustainability of the livelihood of the people and communities who depend on those resources. Each of us will have to contribute, but we will all benefit in the longer term, and we will all be satisfied that we were able to cross the finishing line.

Before concluding, let me also make a few comments on agriculture, an area of great importance to Norway.

We believe that a result that includes export restrictions, export competition, transparency, and a balanced work program with a realistic level of ambition should be within reach. A realistic level of ambition means that we should not attempt to short-cut negotiations by including numerical targets in a work program.

Furthermore, we have noted with concern that the July text from the CoA-SS Chair does not include any reference to non-trade concerns. Any future-oriented work program must take Member's sensitivities and non-trade concerns into account.

Finally, let me assure you, Chair, that Norway will continue to engage constructively in our collective search for a way forward towards a balanced outcome, in fisheries subsidies, in agriculture and in any other issue before us.

Sixty-one days and counting.

12. European Union

Thank you, Madame Chair, for convening this meeting at this crucial time. We are less than sixty-one days from MC12, and seriously concerned that on the key multilateral files, there are few signals of convergence. On the contrary, positions are becoming more entrenched. And in some ways, there are attempts to even move backwards. A failed Ministerial is therefore a real possibility. The

European Union therefore urges all Members to come together and try to identify landing zones on the key files, to ensure an outcome that demonstrates a common willingness to make the WTO relevant for 21st century challenges. We need to achieve this by being realistic and reasonable.

Starting with fisheries subsidies, the European Union wants to reach a multilateral agreement ensuring sustainability. It is a challenging task and time is running out.

The EU is ready to engage to build consensus and to find middle ground. The Chair's text should be the basis for negotiations. We call on everyone to seek to accept compromises and create a basis for convergence, rather than divergence, in the coming weeks.

We commend Ambassador Wills for his efforts and forcing us to work extra hard with a busy schedule of meetings.

Moving on to actions and commitments that the WTO can take in response to the current and any future pandemic, I want to recall Ambassador Walker's process and the aim to achieve a meaningful outcome on health in MC12. Essential elements of the Trade and Health Initiative should be included in the outcome, as they are very relevant.

During the General Council meeting next week, Ambassador Walker will make a report of his consultations. We hope he will draft a text of a declaration on the WTO response to the pandemic, which should focus on the essential elements that are central to the pandemic.

The European Union is also proactively engaging in the discussions on how intellectual property can contribute to our common goal of ensuring global equitable access to COVID-19 vaccines and medicines. We have tabled a proposal that builds on existing flexibilities in the TRIPS Agreement. We have also said that we are ready to listen and consider additional ways of facilitating compulsory licensing beyond the concrete ideas that we have put forward. Discussions in the TRIPS Council are challenging, to say the least, and we must find areas of convergence on the points that can deliver results in the short term. This should be our priority.

Turning to agriculture, the European Union remains of the view that focus and prioritisation of a set of issues would increase the chances of successful outcomes.

We think a food security focused package for MC12, including a set of issues, is within reach and the European Union will continue working with Members in that direction.

The European Union will engage constructively in the text-based process that Ambassador Peralta envisages starting next week.

Finally, it is essential that MC12 sees progress on the dispute settlement reform that will address the current Appellate Body situation and deliver a fully functioning dispute settlement in the WTO. It is a matter of credibility for the WTO itself. WTO Members all have a shared responsibility to resolve this issue as soon as possible.

It is also clear also that it would not be realistic to expect concrete outcomes or solutions by MC12. However, a lack of any progress concerning one of the core functions of the WTO would cast doubt on the credibility of the reform agenda and of the WTO itself.

Our expectation would therefore be that we would converge by MC12 on a time-limited work programme to agree on a package of reforms of the WTO dispute settlement system. This process would focus on issues that need to be resolved to overcome the impasse in which we find ourselves today. The objective would be to have a fully functioning dispute settlement system within a defined time-period (no later than by MC13).

13. Singapore

Thank you Chair. In your notification of 8 September 2021, you urged Members to do three things, namely, (a) collectively re-engage on the substance (b) assess where we are and (c) express the way forward. In this vein, let me address these three questions. First, where are we now? The short answer is that we are not in a pretty spot. As you have rightly pointed out, MC12 is effectively less than six weeks away and the COVID-19 pandemic has introduced unprecedented challenges. However, Members remain divided and far apart on all the key issues, particularly on fisheries subsidies, agriculture, and the WTO response to the pandemic. Similarly, Members continue to hold divergent views on other important issues like the moratorium on custom duties on electronic transmissions and restoration of the Appellate Body. In other words, there is so much to do in so little time. Hence, it is imperative that Members focus on substance rather than form. This brings us neatly to the second question, which is "How do we collectively reengage on the substance?"

I would suggest three things. One, Members must discard rhetoric and polemics and focus on the substance. There is just no time to play to the gallery at home or to engage in megaphone negotiations.

Two, Members must come to the negotiating table with a "give-and-take" mindset, rather than pursuing a "I-must-win-at-all-costs" approach. In other words, while we should pursue our national interests, we must refrain from doing so at the expense of collective interests.

Three, it is time for Members to lay down our cards on the table. This is not possible in a room with 164 Members. Hence, I would urge the Director-General to convene consultations in a format that allow Members to engage in candid and meaningful discussions in order to bridge gaps and find landing zones. Third, what should be the substance of Members' collective re-engagement?

Allow me to make three suggestions. One, given the unfolding pandemic, it is clear that most, if not all Members agree that the WTO must deliver a substantive outcome in response to the COVID-19 pandemic. Hence, this should naturally be our top priority in order to demonstrate that the WTO can make a meaningful contribution to the global efforts to tackle the pandemic and support post-pandemic recovery. Since the onset of the pandemic, many initiatives have been placed on the table for Members' consideration, including the Ottawa Group's Trade and Health Initiative (TAHI) which has garnered support from more than 50 Members. Of course, there are other proposals, including the TRIPS Waiver proposal; the EU's proposal on Urgent Trade Policy Responses; the US' proposal on Disaster Preparedness and Resiliency Action Plan and the compilation contained in document RD/GC/14 arising from broad consultations with Members. The challenge is to bring all these threads together, which must be the goal of the Facilitator-led process under Ambassador David Walker's leadership. There are many valuable ideas contained in all these proposals, but given the short runway to MC12, Members' priority should be to identify those elements that are pragmatic and capable of garnering broad support. Members must avoid using the WTO response to the pandemic as a Christmas tree to hang our national ornaments. In short, our objective is to start building convergence on those elements that Members can agree with.

Two, we should push the "Joint Statement on Agriculture Export Prohibitions or Restrictions Relating to the World Food Programme (WFP)" across the finish line. At the December 2020 General Council, we were very close to securing consensus on this important issue. At that time, we knew that one of the immediate impact of the COVID-19 pandemic was on communities' access to their daily food supplies. Sadly, the situation has not changed much this year. Many communities remain vulnerable to the economic shocks and severe supply chain disruptions. We need to work together to push for a multilateral outcome this time, which will send a strong signal and make a meaningful contribution towards the Sustainable Development Goal 2.0 (SDG) on "Zero Hunger".

Three, Members should maintain the moratorium on custom duties on electronic transmissions. At a time when digitalisation has become more important than ever due to the pandemic, the WTO risks being seen as anachronistic if Members refuse to maintain the moratorium. Micro, small and medium enterprises (MSMEs) and women entrepreneurs have also been riding on the digitalisation wave to cut business cost and expand into new markets. Any failure to extend the moratorium at this point when e-commerce is booming will inevitably send a wrong signal to the businesses and industry, particularly, MSMEs, who have relied on digital platforms for survival during these difficult times. Chair, we must be realistic and focussed as we approach MC12. Let us aim to deliver what we can for MC12, and prepare a road-map, including work programmes, that will allow us to chart

the journey forward. As always, Singapore stands ready to do whatever we can to secure substantive MC12 outcomes that will lay the foundation for a stronger and better WTO.

14. South Africa

DG, thanks for a comprehensive report. The reports from the Chairs are indeed sobering. We align ourselves with the statements delivered by Jamaica and Mauritius on behalf of the ACP and African groups. I thank the Chair of the Negotiating Groups for their reports and efforts.

COVID-19 response

The COVID-19 pandemic has taken an immense social and economic toll and continues to persist. With the emergence of a K shaped recovery, developing countries and LDCs are facing the brunt of it. Vaccine inequality is a major contributor with the total cost of delayed vaccinations – in terms of lost income – being estimated to amount to \$9 trillion. The only way to address this inequality and arrest the pandemic is to ramp up and diversify production.

This delegation attaches great importance to a WTO response to the pandemic and this is urgent. We are approaching a full year since the TRIPS waiver proposal was submitted. Delays in removing barriers to the expansion and diversification of production have a human cost. The WTO Membership has a unique opportunity to demonstrate solidarity and reaffirm the relevance of the multilateral trading system in addressing common challenges. We urge the Membership to seize this moment. We believe it is possible to find an outcome that will include both the TRIPS Waiver and EU CL proposal. We remain positive that in the interest of humanity, the WTO Membership can rise above the differences and this requires that we change gears to a solution mode towards diversifying production across the world. The issue of vaccine inequity also poses risks for an inclusive MC12. We look forward to the Information session.

South Africa has participated constructively in the facilitator led process led by Ambassador Walker on a WTO response to the pandemic, however the exercise will be incomplete without addressing IP barriers. The Facilitator and TRIPS Council Chair processes must be aligned if the WTO is to deliver an outcome. The TRIPS Waiver is integral to a successful outcome at MC12.

Agriculture

Turning to agriculture, we maintain our view that disciplines on Trade Distorting Domestic Support require reform; the longstanding injustice in the area of Cotton remains a concern; a permanent solution for Public Stockholding is a necessity and progress in the discussions on SSM is key. The outcome cannot be limited to transparency and a Work Programme. We are disappointed that the Chair`s text has not accommodated our issues. We need to identify a realistic food security and livelihoods package that would signal WTO`s commitment to agriculture reform, set the path for the negotiations that addresses the concerns and sensitivities of all. It must respond to the current context of historical imbalances in domestic support, including concentration of support and recognize the disproportionate impact of the pandemic on developing countries. A decision on WFP is possible if aligned to the ACP and Africa Group proposals. We underscore that S&D that preserves policy space for development must be integral to any outcome on agriculture, including under Art 6.2. The outcome must respect Ministerial mandates.

Fisheries subsidies

With regard to fisheries subsidies, we remain concerned about imbalances in the text. The biggest threat to marine sustainability is large scale and industrial fishing. Subsidization of these activities must be addressed if the instrument we are negotiating is to have any credibility. The emergence of a text which provides loopholes allowing the biggest subsidizers to continue to subsidize, while narrowing the scope for S&Ds to developing countries would not satisfy our mandate nor would it enhance the credibility of this institution. Appropriate and effective S&DT for developing countries and LDCs in the form of policy space to facilitate the responsible development of the fisheries sectors in developing countries and LDCs is key. The joint ACP/AG proposal provides a good basis for a discussion. We will continue to engage constructively in the negotiations.

Special and differential treatment

S&D is a treaty embedded right and remains important in ensuring fair and equitable outcomes in the WTO. The CTD-SS must deliver on its mandate on the G90 ASPs if we are to move forward. This requires constructive engagement by all Members to find an amicable solution that addresses the concerns of all.

E-Commerce

On e-commerce, we reiterate our position on the Work Programme and the e-commerce moratorium. We believe that multilaterally mandated work is the Work programme and the outcome on the e-commerce moratorium at MC12 will depend on clarifications with regard to the scope and definition of ET. We have submitted a paper with India on the moratorium to the GC and we look forward to engaging with Members. We re-iterate our position on the TRIPS NVC moratorium, in particular that it must be treated on its own merit, independently of the e-commerce moratorium.

Dispute settlement

The two-tier dispute settlement mechanism is a key tenet of the WTO and a fundamental contribution to the rules based multilateral trading system. We must restore the functionality of the AB. We must also recognize that the dysfunctionality of the WTO is not limited to the AB, but also in its inability to deliver on multilaterally agreed mandates.

WTO reform

In relation to WTO reform, WTO reform must be inclusive, take into account interests of all, particularly interests of poorest economies, developing countries and LDCs for sustainability and legitimacy. It must therefore be premised on the principles of inclusivity and development with a view to create a fair and equitable MTS.

In conclusion, we believe Members must continue to reflect on the "The Legal status of JSIs and their negotiated outcomes", this is an important issue in the context of a rules-based system.

15. Tunisia

Let me begin by thanking you, Madam Director-General, for your comprehensive report, your candid assessment and your thoughtful suggestions on the way forward for a successful MC12. We also appreciate your unwavering commitment since your appointment to promoting the role of the WTO in addressing vaccine inequalities and rebuilding a more inclusive multilateral trading system that meets the needs of the people it serves. Our greetings also go to the chairs of the negotiating bodies for their commendable reports and efforts.

Madam Chair, while developed countries are, fortunately, beginning to see the light at the end of the tunnel of this health crisis and have embarked on an economic recovery, thanks in particular to sustained vaccination rates, LDCs and many developing countries are in the midst of a serious health situation with countless economic and social consequences, which is being exacerbated by the lack of much-needed global solidarity.

However, engaging in collective thinking on an effective and fair WTO response to strengthen the global supply chain for medical products and vaccines remains a key shared responsibility. If we had to keep only one outcome of MC12, this would, indeed, be the one to retain.

We welcome, in this respect, the initiatives concluded between international organizations, including the WTO, in this area and we reiterate the steadfast commitment of Tunisia to making the most of its productive capacity in the pharmaceutical industry.

The second priority area is fisheries subsidies. This exercise, while laudable, has proven to be complex and complicated over time, despite the consistent efforts of Ambassador Wills.

In fact, in the ongoing negotiations, many Members, particularly the most vulnerable, are finding that the Chair's text is struggling at this stage to target the key causes that continue to undermine

the sustainability of fisheries, and to identify effective, efficient, enforceable and, above all, fair disciplines.

The hybrid approach, which should be the solution, has held Members in a vicious circle between unlimited flexibility of sustainable management measures, advocating the status quo, and untargeted S&DT impacting on sustainability.

An effective compromise can only be found in the middle ground, given that the mandate was clearly sympathetic towards real policy space considerations for some developing countries and LDCs, consistent with the objective of sustainability and durability of the sector.

We regret at this stage that the discussions in recent weeks on Articles 5, 8 and 1.2 have continued to ignore the demands of small fishing nations, and that the text continues to treat them in the same way as the major world producers. This lack of consideration can only delay, if not compromise, the achievement of a consensus.

This same observation can also be extended to the negotiations on agriculture, the third priority of MC12. For, in spite of the remarkable efforts of Ambassador Abraham Peralta and the facilitators to move to text-based negotiations, which we welcome, we regret that the current version of the text fails to take into consideration a good number of the proposals submitted, particularly those from the African Group, whose latest communications largely sum up the ambitions of developing countries in these negotiations.

We are hopeful that an early revision of the text would give us more confidence in our expectations of a successful outcome at MC12.

Madam Chair,

While agreeing with other Members on the concerns and expectations in other areas, notably electronic commerce, dispute settlement and WTO reform, my delegation is aware that choices will have to be made quickly as to the significant outcomes to be achieved by MC12 and what is likely to happen in the future.

16. Jamaica (ACP)

The ACP Group thanks you for your report. We also thank the Chairs of the WTO negotiating groups and Ambassador Walker for their reports.

We are 8 weeks away from MC12 and a lot of work remains to be done to put our Ministers in a position to conclude negotiations in some areas and set out the parameters for our future work in other areas.

I will outline the priorities of the ACP Group, accordingly.

Fisheries Subsidies

Chair, I begin with fisheries subsidies. The ACP Group remains fully committed to an outcome on fisheries subsidies by MC12. For our Members, an agreement would complement other national, regional and multilateral efforts in addressing the challenges of IUU fishing and overfishing and overcapacity. In so doing, it is important that we target major subsidizers and large-scale industrial fishing, as well as prevent loopholes to be exploited by those targeted. We are pleased that progress has been made in the negotiations and our Group is making a contribution.

We recently submitted, together with the African Group, a proposal to the NGR looking at how to balance the Chair's text in line with the requests from a vast majority of the 104 Ministers who spoke at the 15th July meeting. We heard Ministers reiterating that we adhere to the mandate of MC11. Particularly, we take note that Ministers have ruled out the option of special and differential treatment being limited to artisanal and small-scale fishing or transition period with technical assistance with capacity building. Our proposal seeks to accomplish these objectives. Additionally, the proposal encompasses Ministers' call for S&DT in the form of policy space to facilitate the responsible development of the fisheries sectors in developing countries and LDCs. We look forward to the Chair's circulation of a revised and balanced text that reflects the elements of our proposal.

Agriculture

On agriculture, the ACP Group takes note of the Chair's text in JOB/AG/215. The text does not have all the elements that would allow for Members to begin text-based negotiations. We have always maintained that the elimination of AMS above de minimis should be a first step in the implementation of reforms. We have to level the playing field. We have also consistently called for the removal of Article 6.2 from reduction commitments, tightening of green box disciplines to prevent box-shifting, as well as S&DT for developing countries, LDCs, SVEs and NFIDCs. These elements are not properly reflected in the text.

We believe more work is needed on the propositions for SSM and PSH, which are, in addition to domestic support, of keen interest to the ACP Group. MC12 provides us with an opportunity to complete our work on a Decision for the World Food Programme purchases. We recently made a submission to the CoA-ss looking at the nexus between COVID-19 and the negotiations, which we believe can contribute to bringing balance to the text. We expect a revised and balanced text which could be a basis for commencing text-based negotiations. We will contribute constructively.

Services

MC12 provides an opportunity for the WTO to play an important role in bolstering the resilience of the services sector in developing countries and LDCs. As is well known, the services sector is significantly impacted by the pandemic. We have made a submission outlining the key issues for us. In that context, engagement in accordance with the mandate and consistent with GATS Article XIX, especially as it relates to the in-built flexibilities for developing and least developed countries will be critical. The ACP Group supports the inclusion of a paragraph in the MC12 outcome document for our work going forward post-MC12 on services. The Group has put forward suggested language in the CTS-SS in that regard.

Ecommerce

As it relates to the ecommerce moratorium, we need to continue discussions on issues surrounding the moratorium as well as issues relating to the digital divide. We are working on technical papers on various issues. We need to focus on how we can reinvigorate the Work Programme given our specific interest on the development aspects and challenges of this longstanding area of work in the multilateral framework of the WTO. We believe that MC12 provides an avenue to pursue these objectives.

Development

Special and differential treatment is a fundamental pillar of the WTO and should not be dispensed with in current nor future agreements. We believe that an outcome for MC12 based on, inter alia, the G90 proposals would assist our national efforts to stabilize our trade imbalances, including those arising from the COVID-19 pandemic, build back better and successfully integrate into the global economy and global trading system. We therefore call for constructive engagements on this file.

Intellectual Property

Chair, our Members do not have equitable access to vaccines, which is considered the most durable solution to address the impact of COVID-19. At the same time, there are Members in possession of more than required to inoculate their entire population. With this in mind, we have already seen an emergence of measures prohibiting entry of unvaccinated people in some economies. We will be disproportionately affected because our economies are highly dependent on international trade, and our nationals, including those who travel to provide services. The WTO has an important role to play in facilitating swift, timely, affordable and equitable access to the vaccines and therapeutics to combat the pandemic.

We have consistently supported the general objectives of the TRIPS Waiver proposal. A TRIPS waiver arrangement that accommodates the interests and addresses the concerns of the Membership should be a priority for an MC12 outcome. This is an important element of the WTO's response to the impact of the pandemic. We must resolve the issue of access. If agreed, an appropriate waiver arrangement would certainly improve our capacity to address future pandemics and unforeseen

crisis appropriately and help to limit all type of casualties we are enduring due to various bottlenecks that limit access to the vaccines.

WTO's response to COVID-19

We take note of ongoing work in various formats on the WTO's response to the impact of the COVID-19 pandemic. It is important that the WTO complement other international stakeholders in responding to the impact of the pandemic. The Covid 19 pandemic is an unprecedented crisis and requires a multidimensional and multi sectoral approach to pull together their expertise to complement each other in our drive to assist Members especially the vulnerable and those most in need. We have been following the discussions and we await the Facilitator's text on the work done to date on this issue. It is important that the WTO's response puts development at the centre of its focus, including the issue of trade debt and finance, especially for our MSMEs, as they are the most impacted by this pandemic. MSMEs is undeniably key to salvage unemployment and address poverty. The WTO's reponse to the pandemic should also provide an opportunity for Members to have a blueprint to deal with future events with COVID-19-like impact. We will contribute to the Facilitator's work with a view to having a decision for Minister's approval at MC12.

WTO Reform

On Reform, the ACP Group reiterates that the process should be undergirded by the principles of inclusivity, fairness, transparency and equity, and must strike the right balance in respect of Members' rights and obligations. It must advance the interests of developing countries and LDCs through the application of differential and more favourable treatment, including the retention of S&DT. It should also seek to ensure trade functions, at all times, as an instrument for raising standards of living and employment, and for promoting sustainable development in line with the principles of the Marrakesh Agreement. Looking towards MC12, the ACP Group continues to prioritize the restoration of the proper functioning of the two-tier Dispute Settlement System. Ministers should also be presented with a Reform Work Programme consistent with the principles that we have outlined.

In closing, Chair, we look forward to these development issues encapsulated by an outcome package for MC 12. We will engage positively and do so in a solution-seeking mode. We would like to point out that the integrity of the process(es) undertaken towards MC12 outcomes will matter as much as the substance. The crafting of an MC12 package should, thus be done in a transparent, fair, balanced and development-oriented manner. Resolving these issues by MC12 is critical to our stabilization and rebuilding efforts in light of the COVID-19 impact on our trade capacity and development goals.

17. Kingdom of Saudi Arabia (Arab Group)

I am delivering this statement on behalf of the Arab Group. Madam Chairperson, the Arab Group would like to thank you Madam Director General for your report including your assessment and suggestions to Members on the way forward. Let me also extends our thanks to the Chairs of Negotiating Bodies for their reports and assessments.

In the coming days before MC12, we need more than ever to intensify our efforts and to engage in a solution-oriented mode with the sense of urgency and necessary flexibility to achieve a consensus that lead to positive outcomes for MC12.

Looking ahead towards MC12, allow me to highlight the Arab Group views on some certain areas that we see as priorities for MC12:

The first one is COVID-19 pandemic and the vaccines. The Arab Group believes that , the WTO can play an important role in ensuring the global supply chain of critical medical products and in making the vaccines available for all Members in need. We emphasize the importance of equitable worldwide access to COVID-19 vaccines for economic growth and trade to bounce back from the pandemic, especially in developing and least developed countries.

We urge countries to come together and avoid the temptation of 'vaccine nationalism', because the health of people and the economy will not be safe until everyone, everywhere has access to the tools necessary to end this pandemic. We commend all recent calls and initiatives reached between international organizations including WTO to enhance their support to Members battling COVID-19.

The second area is fisheries subsidies; We believe that the July Ministerial meeting provided us with the necessary political guidance on how to move forward with this important issue. We believe that the instructions provided by our Ministers during that meeting should be taken as the basis of our work to narrow the gap of differences and to find common ground and landing zones, in order to generate consensus before MC12. We also think that, allowing more policy space for developing Members to develop their domestic fisheries in these negotiations will lead to a successful conclusion. Moreover, we recognize that small-scale and artisanal fishing are crucial for millions of the people in the world. Therefore, there must be horizontal exclusion of artisanal and small-scale fishing without geographical limit for all Members whether they are demanders or not.

The third area is Agriculture, we welcome the Chair's recent report in which she outlined the contours of a possible deal on agricultural trade in the run-up to the 12th Ministerial Conference (MC12). We think it represented an accurate assessment of the situation. We also emphasize the urgency of achieving progress at MC12 and encourage all Members to engage constructively in the technical discussions in order to achieve a successful outcome on this crucial issue.

The fourth area is the WTO reform. We believe that an active engagement, a strong political will and a full understanding of the scope and elements of proposed reform are required to advance WTO reform. We also underscore the importance of a well-functioning Dispute Settlement Body. We therefore encourage all Members to double their efforts to find ways to restore the proper functioning of the WTO dispute settlement system.

In the area of accession to the WTO: Accession to the WTO can present a window of opportunity to acceding countries to integrate beneficially into the global economy. The Arab region is one of the areas of the world with the largest number of countries outside the multilateral trading system. Of the 22 members of the Arab League, 13 countries are WTO Members and eight countries are in the process of accession. We hope that MC12 should be an opportunity to deliver in this area to ensure more universality of the organization, particularly for those who still in the process of accession. We also underline that the accession of LDCs should be conducted under a "fast track" approach

In conclusion, the Arab Group stands ready to work constructively with WTO Members towards successful outcomes at MC12.

18. New Zealand

New Zealand remains focused on multilateral deliverables for MC12 as part of broader efforts to reinvigorate the WTO's negotiating function and strengthen the implementation of existing rules so that Members can respond effectively to contemporary issues of global concern. As we have said before, we continue to believe our multilateral focus between now and November should be on three outcomes: finishing fisheries subsidies, responding to the pandemic, and setting a meaningful path forward on agriculture. It is crucial that we conclude meaningful fisheries subsidies disciplines by MC12.

We must finish these negotiations to support our shared sustainability, and SDG mandated, objectives. Following Ministers' engagement in July, this will enable WTO Members to deliver to our Leaders who gave us the SDG mandate and to our stakeholders who expect an outcome after two decades of work. Most importantly, it is required for the sustainable future you spoke of Director General. The NGR Chair reported that he is concerned with the dynamics of the negotiation and that concerns me. Ambassador Wills has established a crucial process of text based engagement, and we ask all Members to engage constructively to take the text forward effectively over the coming weeks. Resolving the way that the overcapacity and overfishing pillar intersects with SDT should be the focus of our work. The Chair's text represents no Member's ideal outcome, but reflects years of technical and negotiating effort, and compromise from all sides. In this spirit, as Ambassador Wills said, we must apply a solutions focused lens to what is on the table now, including through any new proposals put forward. Only this will enable us to reach the necessary landing zones in the short time we have left.

Concerning the second of those three outcomes, I will be reporting to the General Council next week on the work I am personally doing as Facilitator on the WTO's response to the pandemic. It is also crucial that we deliver a meaningful outcome on agriculture. As other Members are saying, a meaningful outcome on domestic support means a concrete way forward that puts us on the right

path to ensure we deliver on domestic support reform. That path must include a timebound measurable commitment to launch negotiations with the aim of capping and reducing global trade and production distorting domestic support entitlements which reflects the global need to develop sustainable food systems as mandated in the SDGs. Whether it is said explicitly or not, realistically, reducing those entitlements by at least half by 2030 is the minimum that will be required to deliver on that SDG objective.

New Zealand also continues to work with other delegations to achieve outcomes through open, transparent and inclusive negotiations that aim to build a pathway to multilateralism over time. We look forward to an outcome on Services Domestic Regulation and continue to build support for our Joint Ministerial Statement on Fossil Fuel Subsidy Reform at MC12. We invite, and encourage, others to join us. Finally, I cannot conclude without reference to the Dispute Settlement Mechanism. We must try to achieve a framework at MC12, with timeframes and objectives, to work through the Appellate Body impasse and resolve this most pressing institutional concern – and I listened carefully to the ideas set out by Ambassador Machado in this respect.

19. China

Thank you, Madam Chair for convening this meeting and also for your impressive remarks this morning. Thanks also go to the negotiating chairs for the reports. Colleagues, forty two working days is what we only have before MC12. Of course, if there is some work scheduled for the weekend, China's constructive engagement can always be expected. However, we can't expect miracles to happen within such a short period of time. Pragmatism and realism is what we need in the weeks ahead. Equally, being reasonable and flexible is vital as well. We should focus on those which have the possibility to achieve consensus.

Members should restrain from introducing new things, controversial topics, and those that are even beyond the function of our Organization or negotiating mandate, into our current discussions. Those who try to do so will destroy the negotiating momentum and lead the MC12 nowhere. After four 2 years, and given the double blow of COVID-19 pandemic and WTO's existential crisis, 164 Members have to show solidarity to the world, instead of division. In terms of the outcome document, we support GC Chair's current consultations towards a consensual Ministerial Declaration. In our view, reaffirmation of the commitment to the multilateral trading system, support to WTO's core values and basic principles, opposition to unilateralism and protectionism, and smooth operation of global supply chains and value chains, should be some indispensable elements.

On response to the pandemic we support to have political commitments on WTO's response to COVID-19, and achieve specific decisions in certain areas including TRIPS waiver at least on vaccines. Moreover, the pandemic has triggered a humanitarian and socio-economic crisis, and developing countries have been disproportionately impacted. It is therefore imperative to achieve a PSH solution to address the food security and livelihood crisis in developing countries, not to mention it is a standalone mandated issue. On fisheries subsidies, China supports a fair and balanced outcome for the final disciplines and will engage constructively 3 in the final stage of discussion. Madam Chair, dear colleagues, restoring Appellate Body and bringing the dispute settlement system back to normal operation is clearly the top-most priority for most Members. While being realistic about the prospect at MC12, we firmly believe that it is of critical importance to this organization at least having a work plan on the AB issue, ideally the reaffirmation of Members' support to the two-tier system and establishment of a roadmap for AB's restoration.

20. Philippines

I wish to thank the Director General, Dr. Ngozi, and the Chairs of the negotiating groups for their briefings albeit sobering. Mme DG, please allow me to share some of my delegation's thoughts on our work towards MC12

Our delegation appreciates the DG's leadership in highlighting for MC12 and beyond the important role and vital contributions of the WTO towards the global mandate of achieving sustainable and inclusive development that protects the environment and addresses the climate crisis as well.

On fisheries subsidies, we were encouraged by the political impetus that the 15 July Ministerial provided us, but it is apparent now that there is a dire need for even more intensive work, real diplomatic flexibility and mutual trust in navigating through our line-by-line negotiations. Otherwise,

there will not be much to deliver at MC12. The only silver lining I can see is the DG's wise advice that the darkest moment of a tunnel comes before the light re-appears, so at the moment we have no choice but to persevere and move forward.

On agriculture, here too, negotiations have spanned too many years. The Philippines would like to underscore that we must deliver on the substantial and proportionate reduction of trade and production-distorting domestic support taking into full account the development needs of developing Members, and on obtaining some tangible results in public stockholding and the special safeguard mechanism.

On the WTO's response to the Covid pandemic, the Philippines remains supportive of all tools that facilitate the increased production and movement of essential medical goods. The TRIPS Chairs text-based process on the waiver and Ambassador Walker's role as facilitator are deeply appreciated. We need to cooperate with them and let them take leadership and guide us to deliver by MC12.

While we are all cognizant of the need for reform in all three pillars of the multilateral trading system, the Philippines would emphasize that for the WTO to remain credible as an institution, we require a functioning two-tier dispute settlement system.

Finally, we commend the bright spots provided by the continuous progress made in the various Joint Statement Initiatives. We believe these initiatives positively contribute to the multilateral trading to be able to respond to the policy exigencies of the modern-day global trade.

21. Indonesia

Thank you, Madam DG for convening this meeting and for your report and assessment. I am delivering this statement on behalf of my HOD, Ambassador Grata, who unfortunately cannot attend this important meeting due to her engagement in chairing a meeting at the WHO. Indonesia appreciates the Chairs of the Negotiating Groups and take note of their respective reports.

WTO Response to the Pandemic

Indonesia would like to remind all Members that the Covid-19 Pandemic is far from over. We can only stop this deadly pandemic if we do it simultaneously in every corner of the world. In the last few weeks, we are seeing a resurgence in the number of infections and mortality, as new variants are identified as more transmissible.

We cannot do that if the access to life saving vaccines and medicines are limited only to a few countries. The WTO could help to ensure that trade rules would not hinder global collaboration to fulfil the access. At this point of time, we need to do everything in our control to help stop this pandemic. It is high time for this Organization to prioritize in saving human lives and livelihoods, above all priorities. For us, having an MC12 outcome that does not address such a need would be very difficult to accept. Furthermore, it is also our opportunity to show the credibility of the WTO to help addressing this global crisis.

In that regard, Madam DG and all Members, Indonesia is of the view that a conclusion of the MC-12 must also include an outcome on the TRIPS Waiver, which had already been supported of 64 Members, to be an integral part of the WTO response to the pandemic, to ensure this organization contribute to equal access of medical products and technology in addressing COVID-19.

Mandated Issues

While on the Mandated Issues, Madam Chair, Indonesia's priority is to finalise the agriculture negotiation on permanent solution for PSH and operable SSM. These two subjects are more relevant now than ever, as the pandemic also expose vulnerabilities of trade driven food security.

The implications of COVID-19 pandemic, particularly on food and livelihood security in developing countries and LDCs has also been underlined by G33 Ministers in the G33 Informal Ministerial Meeting on 16 September 2021.

As Madam Chair has rightfully mentioned this morning, the G33 Ministers have also underscored their commitment in moving forward the agriculture negotiations in WTO on all mandated issues and the expeditious resolution of permanent solution on PSH, and SSM.

To this end, Madam Chair, Indonesia urges for a balanced COASS Chair's text in reflecting the concerns and views from all Members as well as submissions, and proposals by Members that have been submitted post Buenos Aires and in these recent years.

Also on the mandated issues Madam Chair, Indonesia also places great importance on the finalization of the Fisheries Subsidies negotiations. As fisheries sector in Indonesia is predominantly of a small-scale and operate within our national jurisdiction, we would like to achieve a discipline that fairly address the culprit and protect the livelihood of small scale, vulnerable fishers.

Studies show that artisanal and small-scale fisheries enjoy only 19% of global fisheries subsidies. Compare to the large scale and distance water fishing vessels that enjoy 81% global subsidies, artisanal and small scale should not be treated in an equal basis like those who enjoy subsidy the most.

In this regard, we would like to stress again that to have a fair discipline on FS we need to ensure the principle of common but differentiate responsibility is respected. Hence, we believe that any SDT prescription must not be limited to time bound flexibilities.

While on the current negotiation, we are considering very positively the new proposals made by India dan the ACP/AG Groups during last week negotiations, which in terms of policy, we are in support to the principles of common but differentiated responsibility and polluters pay principles advocated by both proposals. 1) We understand that the Indian and the ACP/AG proposals were made at a very late stage of our negotiations, however, we believe that we should all be open for suggestions from all Members, especially if there is still no consensus on the fisheries management concept yet. 2) And we would like to note that the ACP/AG proposal represents almost half of the WTO Membership, hence we believe it should not be disregarded.

In this regard, we would like also to stress again the importance of the SNTD discipline in the fisheries subsidies negotiations, as reflected by the statements of 81 Ministers during the 15 July TNC which considers the text as still being imbalance in terms of SNTD, while SNTD is an integral part of our negotiating mandate.

Indonesia will continue to engage constructively and contribute at its best in moving forward a landing zone for outcomes in agriculture and fisheries subsidies for MC12.

Other Issues

While on other proposed third MC12 outcomes: a. On e-commerce, for Indonesia, an outcome on the e-commerce moratorium at MC12 will depend on our ability to clarify the scope and definition of Electronic Transmission. b. While on SNTD, we support the G90 proposal, since Indonesia strongly believes that SDT is a treaty-embedded right, and the Doha mandate emphasizes about making SDT provisions precise, effective, and operational.

And lastly, on the Appellate Body issue, we consider a top priority to restore the Appellate Body functions, which is at the core of the two-stage dispute settlement system. Indonesia would once again call on Members renew their political will to resolve this issue.

22. United Kingdom

We meet today in this private session alongside the WTO's much more public face, in the shape of the Public Forum. This was my first Forum, and I have to say I was really impressed with the enthusiasm, the expertise and the energy that I encountered.

Whatever the topic – from green trade, to digitalisation and development, MSMEs, gender, telecommunications, and many more – it's clear to me that business and civil society remain genuinely invested in having the WTO at the heart of rebuilding the global economy after this pandemic. And that we have much to learn from business as we do that.

And those business voices are also important because they remind us all of who we are sent here to serve, and of what matters to those stakeholders outside the walls of this building. So I don't think we need to apologise to ourselves for holding these meetings simultaneously, even if it has increased our stress levels a little bit over the past couple of days.

Madam Chair, those business voices have a clear expectation - and hope - that we will deliver multilateral outcomes at MC12: both in terms of the hard detail of the policy, as well restoring broader credibility of this organisation.

For our own part, I have been clear that, as the UK, we are prioritising multilateral outcomes on fisheries subsidies - and let me join the tributes to Ambassador Wills on that - and on our collective response to the pandemic, and we recognise the importance of finding a path forward on agriculture. Let me pay tribute there to the work of Ambassador Peralta and Ambassador Walker.

Most of those businesses I spoke to this week are also eager to see progress on the various member-led initiatives that we have on the table right now.

Look at the major milestone we have just reached in the Joint Initiative on Services Domestic Regulation, effectively closing that text. That was delivered not just through determination and perseverance and compromise, but with the consistent support and encouragement of global business. And it's an outcome will make a real, measurable difference to global trade as we build back better.

And likewise the good news from the MSME group - and congratulations to Ambassador Cancela - who followed up on their package in December 2020 through further demonstrating the political will around a draft text for MC12.

We are also really pleased with the momentum behind the e-commerce discussions. So strong support for a successful, substantive MC12 was a message I heard loud and clear this week from our business stakeholders.

But equally loud and clear was the sense that this Ministerial Conference is an opportunity to start a process of building back better and making this organisation fit for the challenges for the third decade of the 21st century.

That means, for us, that we need to have a clear message about the path forward on WTO reform, which makes space for progress on the different elements that matter to different delegations in this organisation - whether that be dispute settlement, transparency and monitoring, and the negotiating function, including the role of Special and Differential Treatment.

But we also need a path forward, beyond MC12, on issues that matter to our societies and businesses today - whether that be health, the climate crisis and the environment, gender equality, and market-distorting practices, including industrial subsidies.

So, my colleagues are of course quite right to say that we have to stay focussed on a limited number of substantive deliverables for this conference. But we do believe - here in my delegation - that we can be slightly less restrained in framing MC12 as a launch pad for future deliverables. That means locking in progress on issues at the heart of creating a greener, more sustainable, more equitable global economy post-pandemic, and challenging ourselves when we come back in January - after our Christmas festivities - to take that forward with renewed momentum.

Madam Chair, it also comes down to remaining relevant, and keeping up with the real world outside these walls. And that means we should rightly be kept on our toes by global business and civil society, and we should be rising to the challenge they set us.

Showing those pathways forward... showing that the WTO can work flexibly, and nimbly, in different configurations, on issues that matter to society at large, is part of the important foundation that we can build at MC12 for the future success of this organisation.

And Madam Chair, as the clock ticks down - and we've been reminded how little time we have left and how we are still absent on an agreement on many of these important issues - I call for inspiration from the other big event of today...this year's most hotly anticipated cinematic

moment...courtesy of perhaps the UK's greatest export, who goes by the name of Bond, James Bond... And say that, for the WTO this is certainly No Time to Die. Indeed, it is time for us to give fresh life to the WTO, not just in words, but in deeds.

23. Costa Rica (Joint Initiative on Services Domestic Regulation)

Good morning/afternoon. I welcome the opportunity to inform you about recent developments in the context of the open-ended negotiations in the Joint Initiative on Services Domestic Regulation.

Since my last report, the Initiative held a very successful first meeting after the summer break just this Monday 27 September. Singapore announced its decision to join the Initiative. This brings the total number of participating Members to 65. With the participation of Singapore as one of the larger services traders, the Initiative now covers more than 90% of world services trade. While this represents true global reach, the group is nevertheless firmly committed to use the remaining time before MC12 to convince even more Members of the benefits of joining this Initiative.

But the good news I have to report, Madam Chair, do not end here: at the meeting, thanks to the flexibility and pragmatism shown by all participating Members, the group was able to resolve the remaining outstanding issues in the negotiating text. Following the meeting, I circulated under my responsibility a clean version of the Reference Paper on Services Domestic Regulation, which is now an unrestricted document. A Public Forum session on services domestic regulation held just yesterday highlighted how important it is for business that the text is now available to all: it does not only signal that the Initiative is on the right track towards delivering an outcome in time for MC12, but it also shows that we remain responsive and open to business needs and interests.

As agreed by participating Members, the clean version of the Reference Paper contains: a provision requiring non-discrimination between men and women in the context of authorization procedures for service suppliers. This will be the very first time that a WTO outcome contains such a provision; an optional alternative set of disciplines on financial services for Members; and a ceiling transitional period of 7 years for developing country Members that need to delay implementation of specific disciplines for specific sectors.

Based on a clean version of the Reference Paper, participants are now working towards the submission of pre-finalization schedules incorporating the SDR disciplines by the end of October. This step will represent another key milestone in this process. I will also use the coming weeks to consult with delegations on a Ministerial outcome document that – we firmly hope – will mark the end of these negotiations.

Madam Chair, I have made this clear at each of my reports, but I cannot emphasize this enough: the high level of commitment of Members is testament to the importance of this negotiating issue. Enhancing transparency and predictability of regulatory frameworks to boost the potential of services trade is crucial, and even more now as a building block in the post-COVID economic recovery.

Communications by business associations have been issued regularly throughout the past year and outline the clear expectation of hundreds of services businesses around the world that WTO Members deliver a long due outcome on services domestic regulation by MC12.

The Initiative has a real opportunity to achieve a result that will have a concrete impact on the operations of services suppliers and will contribute to reinvigorate stakeholders' confidence in the negotiating function of this Organization. We will not squander this opportunity.

To conclude, in keeping with the open, transparent, and inclusive nature of this process, the Initiative is ready to engage with all interested Members, to address any questions, needs, and concerns. I invite all Members not already part of this process to engage actively in the discussions and consider joining the Joint Initiative on Services Domestic Regulation.

24. Costa Rica

Madame Chair, allow me to briefly switch to Spanish. With only a few weeks to go before MC12, we are at a time when we need to take action and achieve agreements. The positions of Costa Rica are known and are reflected in our previous statements. In view of time, we will not repeat them. We will present our observations on ongoing negotiations and on the ongoing processes towards MC12.

We invite all Members to participate constructively and focused on finding solutions. Costa Rica will remain committed to this vision.

25. Russian Federation

Thank you, Director-General, for convening this meeting and for your assessment of the current situation as the Chair of the TNC.

In his address to the 76th Session of the UN General Assembly, the UN Secretary-General told, "we are on the edge of an abyss and moving in the wrong direction. We face the greatest cascade of crises in our lifetimes. Solidarity is missing in action – just when we need it most."

This is a striking warning for all of us who must engage constructively in the ongoing negotiations and in the preparations of MC12 outcomes. As the WTO is the only place, where MTS issues can be negotiated, we have to do our utmost in order to prepare a global response to the current challenges by tangible, realistic and meaningful outcomes at the Conference and beyond.

Regrettably, in two months before the MC12, we observe the absence of consensus on the majority of issues, notably including fisheries subsidies, COVID-19 response, agriculture, WTO reform and restoration of the DSB.

We urge Members to develop clear, targeted and implementable disciplines rather than promoting far-reaching and ambiguous prohibitions which necessitate whole box of examples. Let me reiterate that all WTO Members should eventually implement all substantial disciplines with possible minor exclusions. Let me also call upon Members to restrain from using these multilateral negotiations as a means to solve political issues, especially if those issues do not belong to the WTO competence. We have to embrace multilateral mindset and work together in a consensus-seeking spirit to successfully conclude these negotiations at MC12.

We support discussions at the WTO on measures in the field of intellectual property to counter COVID-19. We are confident that certain flexibilities, in particular in the IPR, are appropriate for the period of emergency.

In order to ensure the smooth adoption of the document on «trade and health», the decisions of the Conference should not inflate the scope of member's commitments under WTO agreements, nor expand the mandate and the budget of WTO.

Against a backdrop of persistent differences in positions on agriculture issues, we stand for a pragmatic and realistic approach. In our view, the achievable outcome of the MC12 would be a thought-out Roadmap (or Program) for further negotiations on trade distorting domestic support. In addition, an MC12 outcome on Enhancing Transparency in agriculture is also needed. Russia would like to note its support to the efforts of Members in improving transparency in agriculture.

We are ready to support a consensus-based decision on elimination of export prohibitions and restrictions on food products purchased for non-commercial humanitarian purposes by the World Food Programme. Russia finds this issue to be the one of most doable decisions for MC12.

It is crucial to use the upcoming MC12 as a unique chance to set a clear path for modernization of the Organization. We support the adoption of a political MC12 declaration which, in our view, should reflect the issue of the WTO reform, including the establishment of a dedicated Working Group. This group could be vested with the authority to discuss in an open, inclusive and transparent manner issues of relevance to the WTO reform with a focus on improvement of the negotiating, monitoring and dispute settlement functions of the WTO.

We expect the MC12 outcomes that would facilitate urge launching of substantive discussions on WTO Dispute Settlement Mechanism with a view to reach ultimate solution. This is one of the key priorities for Russia. Our supreme objective is to find a way to restore the full operation of the DSB. Specific roadmap should be agreed upon at the upcoming Conference.

Now it's the time to restore the performance and improve relevance of the WTO to the changing world. Is the time to deliver.

26. Chad (LDCs)

I am speaking on behalf of the LDC Group. We commend your efforts to make the WTO truly operational and to increase its relevance. The LDC Group also thanks you for your key participation in the South-South dialogue on LDCs and development held in Montreux. I echo your metaphor about negotiation; it is indeed an art. But it is also about cooperation. No one can negotiate alone, making proposals and putting forward their own counter-proposals.

We must have partners who take their share of the responsibility. We are not complacent about the status quo. I refer to our group's proposals on the specific development needs of LDCs, including post-graduation. As you highlighted very well in your opening remarks at the Public Forum, international trade contributes to resilience in overcoming challenges such as the current COVID-19 crisis. However, there is also a need to find a formula and framework to strengthen the WTO in order to better respond to future crises such as promoting transparency on export restrictions.

There is also a need to explore ways in which to help LDCs acquire the necessary technologies to adapt and innovate in order to reduce their dependence on a limited number of suppliers. There is still a long way to go to reduce many of the divisions and trade weight imbalances between LDCs and the rest of the world. We remain confident that your leadership will enable LDCs to lay a good foundation at the Twelfth Ministerial Conference so as to move forward in our work with a view to better using trade to develop our economies.

LDCs believe that a successful MC12 should enable us to achieve both tangible and meaningful development outcomes, especially for the most vulnerable Members, and clear instructions or work programmes for a better way forward. Furthermore, the LDC Group remains committed to implementing the Bali and Nairobi Decisions in favour of LDCs. The outcome of the MC12 should enable us to implement these decisions. In the meantime, the Group has already provided the bodies responsible for implementing the decisions with its assessments of what is needed in this regard. It submitted a proposal to the Committee on Rules of Origin and provided its assessment of the operationalization of the waiver on LDC services, arising from the results of the workshop jointly organized this year with the Council for Trade in Services.

The LDC Group hopes that the outcome of MC12 will positively reflect its Draft Ministerial Decision so that all support measures for LDCs at the WTO are extended to graduated LDCs. We plan to hold a virtual meeting of LDC ministers in mid-October to adopt the LDC Ministerial Declaration.

Regarding access to vaccines, LDCs believe that the outcome of MC12 should facilitate widespread, fast, effective and affordable access to vaccines against COVID-19. For this to happen, a waiver from some of the provisions of the TRIPS Agreement will be necessary to enable all WTO Members to fight against this pandemic and build their economic resilience to future shocks and pandemics.

With regard to the negotiations on fisheries subsidies, we reiterate that LDCs are not responsible for the problem of overfishing and depletion of marine resources. The LDC Group therefore believes that an agreement on fisheries subsidies must be fair and equitable in order to achieve an outcome at MC12.

Agriculture, including cotton, is a vital sector for all LDCs, if not for the majority of WTO Members. Thank you, Madam Chair, for reminding us of World Cotton Day on 7 October. The LDC group considers that the outcome of a successful MC12 should send a clear and positive signal for comprehensive agricultural sector reform. Such reform must prioritize food security issues that are critical to promoting agricultural trade resilience and those for which ministerial mandates exist, such as trade-distorting domestic support, cotton, the special safeguard mechanism and the public stockholding for food security purposes. The LDC Group is hoping for at least a post-MC12 work programme through which clear instructions will be given to guide Members towards MC13.

Special and differential treatment is one of the pillars of the multilateral trading system. It should be preserved and strengthened for LDCs and developing countries.

Electronic commerce has been a recurring theme, and even more so during the COVID-19 pandemic. This sector in particular has shown its dynamism and resilience during this period. All Members would like to reap the dividends of such a sector. It is imperative that the MC12 leads to the achievement of positive and fair outcomes in this area so that no one is left behind. For example, LDCs remain

committed to the 1998 Work Programme and have a strong interest in resolving issues relating to customs duties on electronic transmissions. We have a submission on the table dealing with the digital divide.

However, we are also interested in what is needed at the WTO level with respect to how we can make better use of digital platforms, online payment systems and access to international banking systems, build our capacities, improve technology, and establish rules that take into account the development needs of LDCs.

With regard to non-violation complaints, LDCs urge Members to agree on a permanent moratorium at MC12 on the application of Article XXIII:1(b) and 1(c) of the GATT 1994 on non-violation and situation complaints under the TRIPS Agreement.

Madam Chair, we cannot talk about revitalizing the WTO without also touching on the issue of reform, which, it must be remembered, is an ongoing process in order to adapt and respond to the challenges of each era. Moreover, the WTO has for several years now been facing challenges in trying to deliver tangible results. The Appellate Body, which is the main pillar of the Organization, is currently not in operation. In this respect, we support the establishment of a working group on WTO reform and are in favour of a post-MC12 work programme. These issues must be addressed in the outcomes of the MC12 so that a reform package can maintain the fundamental principles and purpose of the WTO as a rules-based, Member-led organization based on decision-making by consensus.

Transparency and non-discrimination are also pillars of the WTO system.

Our Group wishes you every success in your preparations for the MC12 and you can also count on our support.

27. India

Let me begin by expressing thanks to the DG and the Chairs of the Negotiating Groups for their respective reports.

Chair, we have an important task today, to agree on the key deliverables for MC12. We have already missed two deadlines – of July and September. This disadvantages the developing countries and LDC's, who will be coerced on issues brought on the table at the last minute.

Taking into consideration the circumstances under which MC12 is being held, we need to focus on issues that matter for the world at this hour of crisis. In this context, let me lay out the priorities for MC12, which are by and large, the priorities of the developing world.

Food Security

First, millions have regressed deeper into poverty during this pandemic and their food security is a critical issue for this organization. A simple, efficient, and permanent solution on extending PSH for food security purposes to new programs and new products should be definitive deliverable for MC12. In this regard, the recent proposals made by the Africa Group and the G33 offers a concrete solution to deliver a credible outcome at MC12. Approval of this will show that WTO delivers on past Ministerial decisions also.

WTO's Response to the Pandemic

Chair, agreement on the WTO's response to the pandemic will be determined by reaching an outcome on the TRIPS waiver proposal. A recent study states that the total cost of delayed vaccinations – in terms of lost income – will amount to \$2.3 trillion, with the developing world shouldering most of that bill. Any response to pandemic will lack credibility if the response to IP related challenges is not built in. Having said that, Chair I would caution against discussions that are skewed, overtly focused on goods trade, aim at reducing the available policy space for Members, impose onerous obligations in the name of transparency. These discussions promote the interests and benefits of a few while compounding the challenges for many developing and least developed countries especially amid a pandemic.

Export restrictions are legitimate policy tool available with Members and its current use in the context of a pandemic is symptomatic and causal, reflecting acute supply side constraints, and unless the supply of essential products to combat pandemics is augmented by mobilizing the global manufacturing capacity, by making the IP know-how and technology openly accessible to all potential manufacturers, we will not be able to address these challenges. In this regard, we also need be cognizant that rules and agreements inked for a normal situation, not foreseeing extraordinary circumstances like the pandemic, will not deliver the desired and effective outcomes. Moreover, WTO response should not only try to address the existing trade barriers like export restrictions, but also address new and emerging ones, like vaccine differentiations or COVID passports affecting personnel movements in turn resulting in trade barriers for export of services. Additionally, free flow of services and supplies, like health services, international telemedicine services needed for handling the pandemic or natural disasters must be prioritized. Chair we have shared elements that in our understanding must be a part of any credible, effective, comprehensive and practical response to the pandemic, and we urge that these get incorporated in the various discussions that are currently being held on this issue, including the facilitator process.

Fisheries Subsidies

Chair, at the Ministerial TNC on 15 July our Minister had highlighted the concern of developing countries and LDCs regarding the imbalance in the draft text and suggested the way out to bring balance by incorporating the principle of "Polluter Pays" and "Common but differentiated responsibility" in formulating the disciplines.

Chair, it is well established that the current unsustainable state of fisheries exists because of those Members who have historically heavily subsidized their fisheries sector, developed huge industrial fishing fleet capacities and exploited the marine resources in an unrestrained manner. Without tackling these harmful subsidies, it is not possible to have sustainable fishing which will take care of our future generations.

In order to remove present imbalances in the Chair's text, India has submitted a comprehensive proposal in the document RD/TN/RL/147 on Article 5 of the draft text keeping in view the demands of developing countries and LDCs on S&DT and to incorporate the principle of "Common but differentiated responsibilities" for future policy space and in the form of carve-outs for subsistence, artisanal and small-scale fishermen up to coastal Members EEZ (200 nautical miles).

Let us refrain from judging proposals and giving comments like taking forward or backward steps, and engage in constructive negotiation.

Special & Differential Treatment

We believe that the revised G90 proposal provides the much-needed groundwork to advance and finalize the ongoing discussions on this critical area. There is nothing to refute the fact that it is especially the developing countries and LDCs that have been the worst hit by this pandemic, the objectives of development that the proposal envisages to achieve and the challenges thereof which it aims to overcome are, relevant today more than ever. This is a decades long pending mandated issue on which we are yet to deliver. Thus, I urge Members to engage constructively on this issue and work together to deliver a meaningful outcome at MC12.

E-Commerce Moratorium, Appellate Body

We request the demandeurs of moratorium to submit a proposal explaining the rationale and the benefits so that we can appraise our Ministers for a decision at MC12. We also seek immediate restoration of the Appellate Body.

Finally, Chair, we are working closely with the GC Chair on the MC12 outcome document. I wish to mention here that it is important to ensure the final outcome document must only reflect the interest of the Members on mandated issues.

28. Uruguay (Informal Working Group on MSMEs)

I will make a statement on behalf of Ambassador Cancela in his capacity as Coordinator of the Informal Working Group on MSMEs and afterwards I will switch to Spanish for a brief statement on national capacity

I am pleased to announce that last Friday, 24 of September, the MSMEs Group finalized a draft ministerial declaration for MC12. The draft declaration states the Group's commitment to address challenges facing MSMEs seeking to trade internationally, it recognizes the negative impact of COVID-19 on small business and the need for a global coordinated response to help MSMEs recover from the pandemic. It also takes stock of the Group's work since it was established, including the adoption of the package of six recommendations and declarations in December 2020. In this regard I would like to thank Members of the Group for their flexibility and constructive spirit, and invite WTO Members that are not participating in the Group to endorse our Ministerial Declaration.

Besides the MSME ministerial declaration, a concrete MC12 deliverable will be the launch of the Trade4MSMEs platform. The platform looks to support MSMEs and policymakers by bringing reliable trade-related information together in one place.

The MSME Group also launched a Digital Champions for Small Businesses Initiative on MSME Day in June with the partnership of the International Chamber of Commerce and the International Trade Centre. The initiative aims to support small businesses' participation in international trade by helping them to go digital. More than 100 proposals were received and the winners will be announced at MC12.

Of course, implementation of our December 2020 package is a clear priority of the Group. Actions are also being taken to this end. In addition, the Group have started looking into new issues. Good discussions have taken place since the beginning of the year on various topics including innovation policies and how they can help MSMEs grow and trade, rural MSMEs, trade digitalization, MSME cyberreadiness, and low value shipments.

As Ambassador Cancela always says, the MSME Group is both a think tank and a "do tank". As I mentioned before the objective of the Group is to improve the participation of MSMEs in international trade through recommendations and soft law, but also through concrete deliverables and tangible solutions. The Trade4MSMEs and the Digital Champion for Small Business initiative are practical and tangible ways to help MSMEs trade. These initiatives reflect the spirit in which we work: a spirit of pragmatism and a solutions-oriented mode.

Finally, I would like to invite WTO Members that are not part of our Group to join us in our endeavours to help MSMEs. The MSME initiative is about inclusiveness. It is about people. It is about helping those who make the heart of our economies beat. In these difficult times where small businesses around the world have been hit very severely by lockdowns and supply chain disruptions, it is important that we do our utmost to help our MSMEs. I therefore invite you all to endorse our ministerial declaration.

29. Argentina

Thank you, Madam Director-General, and thank you also to the chairpersons of the various bodies for their reports and efforts.

With exactly two months to go before our ministers meet in Geneva, we need to be responsible, realistic and pragmatic about the outcomes we can, and should, achieve at the next Ministerial Conference. However, we understand that pragmatism should not be an excuse to impose agreements that in reality have no impact or, even worse, that legitimize and enshrine what does not work or what we are doing wrong. Nor should being realistic be a pretext for us to stop engaging in long-overdue discussions and avoid generating solutions on pending issues. On the contrary, MC12 must serve to re-position the Organization as a central tool for economic development and, in the current context, for recovery from the ravages of a pandemic that continues to affect many countries.

Against that backdrop, I would like to touch on four issues: fisheries subsidies negotiations, agriculture, the WTO's response to the pandemic, and dispute settlement.

On fisheries subsidies, we have high expectations following the pace shown by the Chair in the text-based negotiations. We particularly appreciate his efforts. Argentina, like many other Members, looks constructively at each proposal submitted on the basis of a single criterion: how much it contributes to the objective of reaching an ambitious agreement. Short-term solutions or those that somehow leave open the possibility of circumventing prohibitions or removing subsidies lead nowhere and are completely counterproductive. In that spirit and based on those premises, Argentina, as a coastal country with an extensive maritime coastline, has participated actively – and will continue to do so – in the negotiations

In agriculture, we appreciate the efforts being made by Ambassador Abraham Peralta. We continue to emphasize that moving forward with a domestic support reduction programme involving all aspects of Article 6 of the Agreement on Agriculture, in accordance with the principle of proportionality, is a priority. We consider that the framework for negotiations presented in January 2020 in document JOB/AG/177 provides a sound basis for entering into the negotiations.

We also consider it essential to make progress on market access, an area in which we have also been constructive, through the proposal contained in document JOB/AG/198. We could work on tariff simplification, strengthening transparency and removing the special agricultural safeguard. We could also consider moving forward with a work programme under this pillar for MC13.

We would like to negotiate in good faith with all Members on concrete proposals under each of the pillars with the aim of advancing an ambitious, realistic and balanced negotiating package for the next Ministerial Conference. Together with other Members who share similar positions, we have initiated a series of contacts to listen to the entire Membership, to find out what their main concerns and objectives really are and, on that basis, to bring positions closer together. Agriculture cannot continue to be an issue that is endlessly postponed in the WTO.

We are concerned, however, that a dynamic is being created whereby possible progress in one area is made conditional on what is achieved in another, without discussing the proposals on their own merit. This will make it very difficult to achieve substantive outcomes.

Regarding the WTO's response to the pandemic, there are high expectations about what we can achieve collectively in the next two months and beyond the Ministerial Conference. We believe that the WTO and its existing system of rules can make a significant contribution to bringing us closer to the ambitious goal of scaling up production and ensuring equitable access to vaccines and treatments to end the pandemic and create a framework to deal more efficiently with future crises of this nature. If the aim is to adopt a declaration or decision on this issue, open text-based discussions should begin as soon as possible.

Finally, regarding the dispute settlement system, Argentina, as a developing country and a frequent user thereof, believes that a rules-based system is the best alternative to facilitate economic growth, confidence building, predictability and stability in our trade links. Such a system exists and is the fruit of our decades-long multilateral experience. We are aware of the systemic concerns of some Members, but we also believe that there needs to be sufficient flexibility on this matter to be able to build a collective way forward and that MC12 should send a clear signal in that direction.

30. Mongolia

Thank you, Director General Chair, for convening this meeting and candid sharing of your views. I also would like to express my appreciation to chairs of negotiating committees for their tremendous work.

On agriculture, Mongolia, as a G33 Member, is of the view that the PSH and SSM remain important issues for developing countries. Mongolia remains ready to engage with Members with a view to resolving the issue and arriving at consensus.

On the negotiations on fisheries, Mongolia as landlocked country remains ready to support any consensus and urge delegations to demonstrate maximum flexibility and conclude the negotiations before the MC12.

Mongolia wishes to note that the SDT is an important issue to which the Members have to pay a particular attention.

On vaccines and waivers, the global solidarity is required to ramp up and diversify global production of vaccines, therapeutics and diagnostics to effectively deal with the spread of the COVID-19 virus. The WTO needs to act urgently to suppress the rising human toll and economic strain from the COVID-19 pandemic.

The WTO reform should be addressed as the utmost priority. Essentially, the Members are encouraged to engage in constructive and meaningful discussion on further steps to restore a fully functioning Appellate body.

Chair, I would like to underline the importance of the facilitating work of Ambassador Walker in WTO response to pandemic.

As for MC12 is approaching, Mongolia would like to signal the following:

The pandemic has brought and continues to bring about unprecedented disruptions to the global trade and supply chain. Recalling my statements made during the previous meetings on the WTO response to the COVID-19 pandemic, I would like to highlight again that as restrictive border measures, SPS and other measures aimed at curbing the spread of the disease impacts the economies, efficient border crossing and effective trade facilitation are becoming more critical today.

Contrary to expectations, changes in consumption during the COVID-19 pandemic have led to increased import demand for manufactured consumer goods, a large part of which is moved in shipping containers, which effected on air cargo, rail, land and maritime transport. As a result, shipments and transport operations have been delayed and container freight rates significantly increased, which in turn, becoming the reason for the trade cost increase and disruption of the supply chain. This issue led not only to a shortage of the essential food and medical goods, but also led to a halt of supplies of necessary materials for certain industrial sectors and even their shutdown.

The WTO should address the other international organizations and, especially, air, railway, road and maritime logistic associations to report and propose solutions to resolve these issues today and to avoid them in the future.

Madam Chair, in this regard, in the margins of the Public Forum, the Permanent Mission of Mongolia organized yesterday a session under theme "Facilitating transit and transport operation in crisis situation: Lessons learned from COVID-19". The panelists underlined the need of putting in place certain policies and procedures without disrupting global value and supply chains. In particular, they recommended the adoption of the provisions laid down in the WTO Trade Facilitation Agreement and simplifying customs procedures and concluded that its implementation could significantly benefit the countries to become more resilient to unforeseen global shocks like COVID-19 pandemic.

Therefore, I would like to draw your attention as DG and TNC Chair and also attention of GC Chair to challenges caused by shortage of containers and enormous increase in trade cost and suggest convening a special session or meeting within the WTO to discuss the ways to include these issues in the MC12 Outcome Document as well as to start consultations aimed at developing and creating an appropriate regulation mechanism for resolving the similar situations.

31. Iceland (Informal Working Group on Trade and Gender)

I thank you Chair, as well as the chairs of the negotiating groups for the reports.

Trade and gender

First, as a co-Chair, I would like to give a brief report on the work of the informal working group on trade and gender. The Group includes WTO Members and Observers, the proponents of the Buenos Aires Declaration on Trade and Women's Economic Empowerment. The group has been designed as an open and transparent body and does not intend to create a new set of Agreements or rules. And I invite all of you that are not there to join the group.

Between February and July 2021, Members have discussed various trade instruments, policies and programmes in support of women. This work is reflected in a draft MC12 outcome that was circulated on Monday along with the Retrospective Look of WTO Members and Observers Technical Work on Women's Economic Empowerment.

The draft recommendations so far look at improving data collection on women and trade; integrating research results into trade policy instruments and programmes to support women's economic empowerment; including integrating women's economic empowerment issues into the regular work of relevant WTO committees and bodies; improving the impact of the Aid for Trade Initiative on women.

The Draft MC12 Outcome and the Retrospective Look of technical work will be further discussed, in the IWG, in the next couple of weeks with the aim of producing a final document by the next regular meeting of the IWG on 18 October.

32. Iceland

Fisheries subsidises

I want to emphasis on the importance of the negotiations and thank Ambassador Santiago Wills for his hard work and energetic leadership right from the start. WTO Agreements already recognize that Members' policy choices to subsidise certain economic activities can have a trade distorting effect under certain circumstances. What is novel in these negotiations is that we are now asked to regulate not simply the trade distorting effects of such subsidies - but rather the harm that they can cause to sustainability. It is of outmost important that the WTO concludes the negotiations before our next Ministerial meeting, as it was tasked to do by UN Sustainable development goals.

Iceland firmly believes that fisheries subsidies that contribute to overcapacity and overfishing should be eliminated and is ready to continue engage constructively in the negotiations with the aim to successfully conclude an agreement before MC12.

Agriculture

Even though the Ministerial is fast approaching and the time we have to work with is limited - we believe that an outcome can be reached at MC12 – laying a foundation and paving the way for future reform in this important pillar. Iceland is ready to engage constructively and with a solutions-oriented mindset for that to happen.

We are long-time supporters of a decision to exempt humanitarian food purchases by the World Food Programme from any export prohibitions and restrictions. The COVID crises and its effect on the food security of more vulnerable countries highlights the ever-pressing need of this issue. We can also see an agreement form around a work program in agriculture that does not prejudice an outcome.

And we do see transparency as an important issue where consensus can be reached. The COVID-19 pandemic has highlighted the importance of a transparent multilateral trading system.

Finally – I would like to emphasise the importance of any outcome to be balanced across pillars and taking into account concerns and sensitivities of all Members.

33. Egypt

Thank you, Madame Director General, for giving me the floor and for your sincere efforts to achieve concrete deliverables in MC12. We also thank the Chair of the GC and the Chairs of the WTO negotiating groups for their hard work and comprehensive reports.

Egypt would like to associate itself with the statements delivered by Mauritius and Saudi Arabia on behalf of the African and Arab Groups, respectively.

Madame Chair, in our view the realistic approach towards the outcomes of MC12 means that while we continue to do our best to achieve positive outcomes we should accept the fact that in some areas it may be difficult to reach consensus and we have to agree on a road map for post MC12 work

that will ensure the WTO remains relevant and fit-for-purpose of the 21st century. We must also bear in mind the fact that the failure to reach positive outcomes in some negotiating files is the collective responsibility of the whole Membership and not the responsibility of the heads of the negotiating committees or the director general of the organization as the chair of the trade negotiations committee.

Let me now share the issues that Egypt believes we should focus on in the run up to MC12 or in any post MC12 work programme:

On the global health crisis, I would like to repeat some of the strong messages delivered by you Madame DG at the virtual White House Global COVID-19 Summit on 22 September: you stated *I quote* "sustainable economic and trade recovery can only be achieved with a policy that ensures rapid global access to vaccines. We have a choice, either we converge downwards by allowing the virus to drag us all back down, or we converge upwards by vaccinating the world."

It is clear that we are facing huge challenges and the current flexibilities and mechanisms are not adequate to enable the world to put an end to the pandemic with less than 3% of the people population has been fully vaccinated in the low-income countries. We need to achieve a balanced outcome on the WTO response to the pandemic that includes an agreement on a TRIPS waiver that addresses the interests and concerns of all Members and that will highlight the important role the WTO can play in facilitating timely, affordable and equitable access to vaccines and therapeutics to combat the pandemic.

Turning to fisheries subsidies negotiations, we need to have a reality check and change the unsustainable status quo; According to the FAO, nearly 90% of fish stocks are used up. It is high time to show flexibility and common commitment, in order to close the remaining gaps in negotiations, and deliver on the mandate bearing in mind the different capacities of countries to do so. On this regard, we welcome the statement delivered by the Ambassador of Norway today pertaining to the common proposal of the African Group and ACP Group on SDT within the overcapacity and overfishing pillar. A meaningful agreement on SDG 14.6 could be a turning point for the oceans and for the well-being of those who depend on the oceans for livelihoods and nutrition. On that vein, we commend the relentless efforts of Ambassador Santiago Wills to gear up negotiations under an intensified work programme. And we remain committed to achieve the objective affirmed by the ministers at July virtual meeting to produce a clean text of fisheries subsidy disciplines ahead of MC12.

On agriculture, we thank the Chair of COAss for her efforts to move negotiations forward and for the report she circulated. As a Net Food Importing Developing Country with rapidly growing population, Egypt attaches great importance to reaching a meaningful outcome that prioritizes food security in line with our common objective of a no-poverty, zero-hunger world within 9 years from now as mandated by SDGs 1 and 2 respectively. In this context, we call on Members to show the needed flexibility and give due consideration to the critical circumstances of NFIDCs and LDCs.

Madame Chair, on development, we do appreciate the sincere efforts by Ambassador Khadra Hassan and we reiterate our position that the G90 agreement specific proposals on SDT deserves a fresh look in the CTD-SS in the context of the pandemic and away from the political debate about special and differential treatment.

On WTO reform, we believe that any discussions about the reform of this house should put the developmental aspects at its core and we have to start with the historical imbalances in many areas that hinder the efforts of developing countries in achieving industrialization and economic transformation. On the other hand, we call for resuming discussions to reach a compromise that will restore the dispute settlement function of our organization and guarantee that a reform process of this function will be finalized to take into consideration the concerns of some Members.

To conclude Madame Chair, we are indeed faced by unprecedented challenges due to the repercussions of the pandemic. It is our collective responsibility to restore the credibility of the WTO and to achieve this aim we believe that MC12 main focus should be on addressing the challenges of the pandemic in a manner that puts first the interests of developing countries and LDCs as they are the hardest hit by this global crisis.

34. Nigeria

Thank you Chair for your very comprehensive report and frank assessment of the situation in the ongoing negotiations at the WTO. We thank the GC Chair for his remark as well as Chairs of respective Committees for their reports. At the outset, we wish to associate ourselves with the statements by Mauritius and Jamaica on behalf of African Group and ACP respectively.

Chair, we wish to reiterate that Nigeria is fully committed to continue with constructive engagement in the on-going negotiations on all the issues. This is with a view to ensuring convergence and a very successful outcome at MC12. We, therefore, urge all Members to do same.

Madam Chair, there is no doubt that the divergence of positions of Members on various negotiating issues poses some threat to the anticipated success of MC12. It is therefore important for Members to refrain from actions that may lead to deadlock in MC12 if we really want the credibility of this institution to remain and indeed sustained. It is a known fact that every member has his position but in the spirit of solidarity, there must be room for flexibility and at this critical stage, we may not have any option than to forge heads together to mend the different interest that exist between Members in order to reach agreement on pending issues,

Madam Chair, permit me to give an example with the most recent development at the last meeting of the JSI on Services Domestic Regulations where Members agreed to remove brackets of all outstanding issues in the reference paper and collectively adopted the reference paper. I think this is what is expected of us in other WTO negotiating issues so that the MC 12 will be successful, and the credibility of the WTO could be sustained.

Our delegation considers all the negotiating issues very important, ranging from Agriculture, Fisheries, DSU, Cotton, TRIPS Waiver, Trade and Development particularly SDT and we are always willing and ready for constructive engagements to ensure convergence and to have fruitful outcomes on them. However, the days to MC12 is very close and it will be very rare to bridge all the existing gaps in all the issues before the MC12. On this note, it is our view that Members must select few issues that presently have little gaps to concentrate on them as the issues that could be delivered for possible outcome at MC12 while the remaining issues could be loaded in the post MC12 work programme.

Chair, MC12 avails the WTO an excellent opportunity to demonstrate its ability to deliver results that would speed up post COVID economic recovery, support building of resilient economies and underpin growth. Nigeria believes that a substantive outcome on issues that would address the developmental difficulties of Developing Countries would significantly contribute to its success. It would also enhance trust within the Membership and the credibility of the WTO, thereby paving the way for further progress in many other areas that are of interest to various individual and groups of Members.

Let me touch on some few issues, starting with fisheries. Madam chair, so much has been discussed on fisheries. We, therefore, wish to call for urgent conclusion of the fisheries negotiations which can only be done if Members can show more flexibility and bridge their differences to clean the text with a view to having fisheries subsidies issue as one of the major deliverables for MC12.

On WTO response to Pandemic, we support the move by the WTO in appointing Ambassador David Walker to carry out consultations with a view to sourcing for inputs from Members on what WTO can do in response to the pandemic. We are hopeful and envisaged that the report on the outcome of the consultations with TRIPS Waiver will be one of the outcomes in MC12.

On Agriculture, Nigeria have consistently maintained that Agriculture negotiations should be approach from development perspective, so we can achieve outcomes that addresses the structural causes of livelihood insecurity and foster the building of resilient Agricultural sector. Currently, the number of food insecure and undernourished persons globally has reached an alarming rate. Nigeria expect MC12 to deliver a mix of immediate outcomes that will equip Members with tools to address their food and livelihood security difficulties; and post MC12 work programme on other issues. Nigeria expect MC12 to deliver a mix of immediate outcomes that will equip Members with tools to address their food and livelihood security difficulties; and post MC12 work programme on other issues. The immediate outcomes should include decisions on: (i) capping and elimination of AMS above de-minimis; (ii) elimination of any use of Final Bound AMS as product-specific cotton subsidies

(iii) PSH and SSM to address food security difficulties; and (iv) Export Restrictions relating to the World Food Programme (WFP) on the basis of the compromise text negotiated by the proponent and G90 as of 15th December 2020. Other issues could be considered as part of the post MC12 work programme.

On Imposing Customs Duties on Electronic Transmissions, Nigeria look forward to the adoption of an inclusive MC12 Agenda that is geared towards addressing the difficulties undermining the gains of developing countries from global digital trade. Regarding the issue of Moratorium on Customs Duties, we support the renewal of the moratorium at MC12. This is to forestall the disruption of global e-commerce landscape and the negative effects on businesses and consumers that is likely to occur from the non-renewal of the moratorium at MC12. The Global economy is already shattered by COVID, and the WTO should be part of the recovery efforts.

In conclusion Chair, Nigeria is pleased with the progress being recorded in the ongoing open, transparent, and inclusive discussions under respective Joint Statement Initiatives. We wish to re-emphasize the need for the JSI negotiations to be approached from the perspective of development to avail Developing Countries the flexibilities and requisite tool to further unlock their economic potentials. We also expect Ministerial Declaration on MSMEs, IFD, and Trade and Gender at MC12.

35. Panama (Article XII Members)

Thank you, Madam President. I am making this statement on behalf of the Group of Article XII Members. As we have already said in the previous statements, our Group expects that current negotiations should result in levelling the imbalances that have accumulated in Members' commitments with each new accession negotiation. We believe that to reach a level playing field, all those Members that currently enjoy higher levels of entitlements, that maintain significantly lower levels of commitments than those they asked of acceding Members, will have to make more significant contributions within the ongoing reforms process.

To that end, the Group wants to recognize the efforts made by the Chair of the CoA-SS in convening small group meetings to try to find convergence with Members. It is our hope that the Chair's text will become more balanced as we continue with an open dialogue. Our Group stands ready to engage constructively in order to achieve a significant and balanced outcome at MC12.

Lastly, we're disappointed that we won't have any new Accessions by MC12. Accessions used to be one of the main events of previous Ministerial Conferences because they strengthened the multilateral trading system and brought us closer to our goal of universal Membership. Chair, Accessions should also be viewed as important negotiation topics. We nevertheless reiterate our support to the ongoing accessions and hope that we can see new Members join the WTO next year.

36. Republic of Korea

Madame Chair (DG), I thank you, Chair of the General Council and chairs of the negotiating groups for sharing the reports.

Importance of a successful MC12

MC12 looms just around the corner. As you indicated strikingly this morning, the current status of work in this house is indeed worrisome. As we witnessed at this week's Public Forum, people outside the WTO will be watching us keenly to see what we can deliver this time. Now is the time to concentrate on key doable outcomes if we are to show to them that the WTO remains relevant and moves on forward into the future.

Other than the obvious subject of the WTO's response to the pandemic, I would like to highlight some of the key areas that Korea believes could be major outputs and where we should work constructively to obtain meaningful outcomes for MC12.

Negotiation on Fisheries Subsidies

First on Fisheries Subsidies, Korea appreciates the efforts you and Ambassador Wills have been making for a successful conclusion of the negotiation. After the summer break, Members are actively

putting forward new proposals, which is good. However, Members should avoid presenting proposals that would require complete rewriting of key components in our negotiation at this critical stage.

The current text is already a 'compromise' that we have achieved after enduring negotiations. The text was generally supported by Ministers last July as the basis for further negotiations. Let's continue to work together based on this existing draft text to improve the clarity of the disciplines we want to develop, including SDT provisions, which are intended to facilitate the implementation, rather than expand the exemption from the common responsibilities. After all, sustainability is the centerpiece of our collective efforts to stop the depletion of fish stocks.

Agriculture

Regarding Agriculture, Korea appreciates the Chair's efforts to move forward based on the draft text she prepared. Despite Members' tireless efforts and intensive discussions, further progress seems to be lacking. My delegation will continue to engage in the negotiations in a constructive manner. In order to achieve meaningful outcomes before MC12, Members may wish to be more pragmatic and focus on a few key concrete deliverables, which may include the World Food Program exemption on foodstuff purchased for humanitarian purposes and enhanced transparency without increasing the burden of Members.

JSIs

Chair, it is encouraging that progress has been made in many different areas of JSI negotiations. My delegation continues to call for the broadest possible engagement of Members in the ongoing JSI negotiations.

On Domestic Regulations, Korea welcomes the conclusion of the negotiations on Reference Paper in the plenary meeting last Monday. We hope that all participating Members can submit their final indicative schedule by the end of October. While welcoming Singapore's participation, I hope many other Members will follow suit.

Korea will also continue to take active part in negotiations on investment facilitation to achieve as much progress as possible by MC12. Some of the key remaining issues on investment facilitation have systemic implications for the WTO and, therefore, deserve the attention of the broader Membership: these include whether or not to have an MFN provision and the extent of SDT. In particular, I encourage delegations that have been calling for making SDT provisions more precise, effective and operational, to take part in these negotiations and help make sure that future agreements contain appropriate SDT provisions that are commensurate with needs.

Trade and Environment

Chair, thank you for mentioning the importance of trade and climate change. Korea believes that at MC12 the WTO should send a clear message of its commitment to address climate change, which is the biggest existential challenge facing humanity.

In this regard, my delegation would like to underline the importance of the ongoing efforts to identify possible elements for the TESSD Ministerial Declaration at MC12. Korea welcomes the current work Members have been undertaking to set out commitments on future work for trade and environmental sustainability and to reflect them in the Ministerial document. We look forward to the concrete outcome coming from this process.

Dispute Settlement Body

Last but not least, the restoration of a binding, two-tier dispute settlement system of the WTO should be a main priority for the entire Membership. To build momentum for deeper discussion aimed at making the entire functions of the WTO operational, we should now start to work together to devise a viable work plan with specific timelines.

37. Pakistan

Thank you, Chair. Allow me to make this statement on behalf of Ambassador Piracha of Pakistan who had to step out due to an urgent commitment.

Pakistan would like to thank the chairs of the negotiating groups for their reports. Chair, we thank you in particular for your initial remarks, especially for highlighting the peculiar challenges that many developing countries are facing. I can speak for my own country that those challenges, in wake of geo-political events and severe debt problems augmented by the difficulties of the pandemic resonate very strongly in my capital. It is, therefore, with these developmental and restructuring challenges in mind that I address our gathering today. Exactly two months from the Ministerial Conference, we should reflect on what we can and really want to achieve at the Ministerial Conference. Indeed, these are testing times and we have to ask what is it that we can salvage, which will show the world that the WTO can still make a positive difference to poor peoples' lives across the globe.

Chair, it is getting close to one year since the cosponsors tabled the TRIPS waiver proposal, and the pandemic continues unabated. Precious lives continue to be lost mostly in the developing world despite the high vaccination percentages in rich countries. It is unfortunate that after an initial expression of joining text-based negotiations on the proposal, some delegations find it convenient to kick the can down the road and stonewall any progress on the text. Pakistan recognises your effort, Chair, to find solutions for the vaccine shortages and the general fight against the pandemic. Pakistan had indicated that it is open to consider all options that are complementary and add on to the waiver. Over the course of more than a year, we have seen promises of equitable access and the supply of large quantities of doses to developing countries fall flat on their face. We are aware of, and are witnessing problems faced by developing countries in using existing flexibilities in the TRIPS agreement, and we have become cognizant of the severe limitations of voluntary licensing processes. After all our efforts and discussions, we find that the waiver is the only method that would quickly, efficiently, and comprehensively create the necessary environment for ramping up production and supply of vaccines in the developing world. We note that a parallel process is under way to build a WTO response to the pandemic and we appreciate the efforts of Ambassador Walker for that. However, unfortunately, the process is only focused on certain trade policy aspects. While Pakistan has been very actively participating in that process, we wish to emphasise that, any WTO response would be meaningless and toothless without the TRIPS waiver as its integral component.

While our attempts at saving lives are finding strategic roadblocks, our convergence on saving fish also needs tremendous work. Chair, we commend your efforts and those of the NGR Chair to find solutions. However, fundamental gaps and imbalances still remain. Most important among these, Chair, is the realisation of where the original problem lies. Those that have been consistently depleting marine resources due to their heavily subsidised deep sea, industrial fishing activities cannot be treated alike with those that engage in coastal, subsistence and artisanal fishing. The sustainability objective, in our view can only be read in one way – that is to curtail subsidies to overcapacity and overfishing of those that actually engage in such activities at length. The responsibilities, while common must be differentiated with polluters paying, and paying first. Special and Differential Treatment must remain unconditional, meaningful, and effective. We hope that in the coming weeks, these objectives will find some traction in negotiations to build momentum for a conclusion.

Similarly, in Agriculture, Pakistan has been engaging actively and constructively in various groups to highlight aspects of a meaningful solution. However, without very large subsidisers agreeing to cut domestic support, movement will be difficult. At the same time, livelihood, and food security concerns in developing countries continue to mount in wake of the pandemic and, therefore, the need for levelling the playing field in agriculture trade remains paramount. An ambitious outcome on Cotton is necessary and so are the specific entitlements for developing countries under article 6.2 and the interests of NFIDCs.

Briefly on some other areas, we are disappointed to note that efforts to find outcomes on other developmental aspects such as the mandated negotiations in the CTD SS are facing stiff resistance. Special and differential treatment remains integral to all current and future negotiations and further progress in this area is essential for any agreement.

In the area of services, a correct understanding of the so-called built-in agenda is necessary. The original mandate for such negotiations from Doha, and any developmental approaches including areas of interest to developing countries must not be ignored.

The multilateral work programme on E-Commerce must be reinvigorated in all relevant councils, and before the extension of the moratorium it must be discussed threadbare for its various implications for developing countries.

The impasse in the DSB cannot be left unresolved and we must restore the Appellate Body to its full function. Clear directions at MC12 on that would be very useful.

In all areas, Chair, we must move our organisation towards larger trade and sustainable development ideals, mandated in the Marrakech agreement and subsequent multilateral declarations. Any reform, therefore, must not focus on small, self-serving areas but strengthen the fundamentals of the organisation and of multilateralism.

Finally, on MC12 logistics, we thank you Chair for providing some information. We understand that we are aiming for an in-person Ministerial. Our capital has been informed of this understanding. However, several questions are surfacing e.g. on pre-vaccinations, certification requirements, arrangements for testing and contingencies during the Ministerial, participation of small delegations due to complex travel and flight restrictions etc. It would be useful if answers to such questions and any arrangements could be provided to ease concerns.

To conclude Chair, MC12 will be a stiff test for our delegations and our organisation. We remain hopeful and extend our faith in the Membership to deliver on the objectives of sustainable development, greater technological capabilities and production capacities leading to higher standards of living in developing countries which ensure prosperity for all. At the same time, we remain wary that if such developmental objectives continue to be thwarted, the organisation may risk losing its charm for those that believed in its fundamental ideals.

38. Hong Kong, China

Thank you, Director-General, for your frank assessment and sharing. I would also like to thank the various Negotiating Group and Committee Chairs for their comprehensive reports. Today, I am going to focus on four priority issues for the coming MC12.

Fisheries Subsidies Negotiations

First, fisheries subsidies. While it is encouraging to see Members' positive engagements after the summer break, as other Members have pointed out, we have seen little movement on the outstanding major issues. We hope that Members will continue to work constructively together to resolve the outstanding differences and achieve meaningful and balanced outcomes in this long overdue initiative by MC12.

WTO's Response to the Pandemic

On the WTO's response to the pandemic, Hong Kong, China (HKC) is pleased to see that Members have been deepening their engagement under the Facilitator-led process. We highly appreciate Members' contributions and efforts as well as Ambassador Walker's leadership. Looking ahead, we will continue to work with Members in a constructive and pragmatic manner, so as to produce meaningful outcomes in this important subject by MC12.

E-commerce Moratorium

Turning to e-commerce. For more than two decades, the moratorium on customs duties on electronic transmissions has underpinned a stable, predictable and conducive environment for international e-commerce. Hong Kong, China would reiterate our support for making this moratorium permanent, and if such a consensus could not be forged in time by MC12, we believe the moratorium should be extended further until at least the following Ministerial Conference. Such a decision is critical to avoiding unnecessary disruptions to the global e-commerce environment during the current pandemic, it will also be essential to the post-pandemic global economic recovery.

Dispute Settlement System

Finally, on the dispute settlement system. We share many other Members' views that we should take concrete steps to restoring a fully functioning two-tier WTO dispute settlement system, which

is a key pillar of the rules-based multilateral trading system. Members should agree on a work programme by MC12 for resolving the prolonged impasse in the Appellate Body.

39. Chinese Taipei

We agree that the coming MC12 is not merely another ordinary Ministerial Conference. It could be one of the most important Conferences due to the pressing issues we are encountering. It is the Members' collective responsibility to ensure its success. Although we have important progress in some areas, we face some serious difficulties in various key areas. We have reasons for great concerns.

On the fisheries subsidies negotiation, we are pleased to see that the intensive text-based discussions led by Ambassador Wills is progressing. But we also see some proposals which are not to bridge the already-divided positions. We urge Members to engage in compromises based on the Chair's current text at this final stage, so as to avoid the most undesirable outcome of failing to conclude a fisheries subsidies agreement.

Regarding the issue of the pandemic, we appreciate the leadership by Ambassador Walker. We consider the facilitator-led process very useful and productive. We look forward to a text-based discussion for an outcome document on the WTO's response to the COVID-19 Pandemic.

In our view, concluding a fisheries subsidies agreement, plus adopting an outcome document on WTO response to the pandemic, are the benchmark for the whole world to judge whether we have a successful MC12.

In addition, we would like to emphasize again that continuous modernization and making the WTO rules up-to-date is a critical responsibility we collectively bear. Concrete results of the Joint Statement Initiatives (JSIs) at MC12 are a big plus contributing to the success of MC12 for such purpose. We should be able to expect that there will be some meaningful outcomes from these initiatives at MC12.

On WTO reform, we agree that ensuring the well-functioning of the WTO is of high importance. We hope to see possible work programmes so that we can start working on the reform issues after MC12.

Finally, a successful MC12 is of highest importance for the WTO to signal to the world that this Organization continues to contribute to global trade, to sustainable development and even to saving lives and livelihood. It is urgent for Members to rebuild the solidarity and the already deteriorated mutual trust.

40. Nepal

Thank you Chair for convening this meeting and giving me the floor. I appreciate you for the comprehensive briefing on the state of the play in trade negotiations and suggesting some way forwards. I commend all the Chairs of the Negotiating Bodies for their updates in respective areas.

While going through the discussion during the month and views shared by Chairs of different bodies in today's meeting, my delegation noticed that all Members are dedicated to achieving some visible results through the upcoming Ministerial conference. However, it seems difficult to get there without showing flexibility by departing from our preoccupied divergent positions.

Discussions among Members at various formal, informal, small group and bilateral meetings and consultations have helped in narrowing the gaps in different sectors. However, it seems that we are still not in a position to take any landmark decision through the upcoming MC12 which is much awaited to rebuild trust in the WTO and deliver result for the benefit of the most suffered and disadvantaged people at this critical situation.

This requires expeditious discussions and dialogues in a more pragmatic and result focused manner with a view to enlarging the size of total benefit of our deliberation to the people at large across the globe instead of just focusing on particular group of people of our own countries.

I wish to associate my statement with the statements delivered by Chad, on behalf of the LDC Group; Mongolia, on behalf of the LLDC group; and Panama, on behalf of the Article XII group, and in the context of the MC12, I would like to briefly highlight few priority areas as below which are more relevant to the people of my country and hope equally relevant to others having similar situation to my country:

First, e-commerce and digital economy are growing rapidly and taking significant space in the global economy especially during the COVID-19 pandemic. However, my country as an LDC and LLDC has not been able to participate in and benefit from the global trade due to huge digital divide, and institutional and technology gaps. Integrating business communities into national, regional and global value-chains through development and utilization of e-commerce has become urgent. Therefore, special support measures with concrete work programme becomes essential to bridge digital and capacity gaps, and enhance productive capacity and export competitiveness in LDCs and LLDCs, which my delegation expect from the MC12.

Second, if this organization does not deliver any concrete result to respond to the COVID-19 pandemic and take needful decision for future course of action with a view to designing a long-term solution for any future pandemic, this institution will no longer be trusted by the majority of the world population who are currently expecting something from us to deliver.

Third, the WTO is in a dire need of reform to bridge huge gaps in the existing WTO laws and system and adjust the changing context of the global trade regime. Huge gap in current laws and system among different groups of the Membership and discriminatory practices through the accession process between the founding and acceding Members need to be improved to ensure a fair, rule-based, predictable and inclusive world trading system. In this context, I would like to recall my views expressed in earlier meetings and reiterate for constituting a working group with a special mandate and fixed timeline to deal with all reform agenda through the MC12.

Fourth, the development dimension is an inherent of the multilateral trade as reflected in the Marrakesh Agreement. Therefore, the MC12 needs to deliver positive aspiration and hope among the people of the planet with some good indication. We may not be able to resolve all the development related issues in this short time. However, few prioritized areas taking from the submission of G90 can be delivered.

Finally, LDCs and LLDCs are the most disadvantaged groups of the Membership to participate in and benefit from the world trading system. They face unique challenges and difficulties in their development endeavours and these groups further remain the hardest hit by the pandemic. Therefore, a clear road map with special package of additional support measures for LDCs and LLDCs is absolutely necessary for levelling the playing field. Expediting the implementation of existing supports for LDCs with some additional package of build forward resilient, adopting the LDC group's submission on Trade-related challenges of the LDCs and way forward regarding extending the existing support to graduated LDCs for 12 years after graduation; and incorporation of LLDC specific work programme in the MC12 outcomes would be some areas of our priority for the consideration of MC12 in favour of LDCs and LLDCs.

41. Canada (Structured Discussions on Trade and Environmental Sustainability and Ottawa Group)

First, let me note that today, 30 September, marks Canada's first ever National Day of Truth and Reconciliation. This day is an opportunity to honour the missing children and survivors of residential schools, their families and their communities. Public commemoration of the tragic and painful history of residential schools and their lasting legacy is an essential part of the reconciliation process in Canada. Today, Canada remembers.

Turning now to the TNC work, I will provide a report of the work under the Trade and Environmental Sustainability Structured Discussions (TESSD), an update on the activities Ottawa Group, and a few thoughts on behalf of Canada.

TESSD co-sponsors, other WTO Members, and outside stakeholders met on 17 September to discuss elements for a draft MC12 ministerial statement on trade and environmental sustainability and to seek feedback. As co-Chairs, Canada and Costa Rica will reflect on the input received and come back to co-sponsors and interested Members with guidance on next steps.

The objective of the statement, which we hope will be supported by as many Members as possible, is to articulate a desire to advance our understanding of issues at the nexus of trade and environmental sustainability; to lay out a roadmap for our work after MC12; and to underline the importance of working transparently and collaboratively with outside stakeholders and experts.

Regarding the Ottawa Group, we continue to pursue reform-minded results at the WTO. In that regard, our vice-ministers met virtually on 29 September to continue discussions on WTO reform with a view to helping ensure successful outcomes at MC12, including on fisheries subsidies negotiations, and beyond. Ottawa Group vice-ministers focussed their discussion on trade and health issues, including a reaffirmation of their commitment to the principles contained in the Trade and Health Declaration and the importance of a strong multilateral outcome at MC12 on the WTO's response to the pandemic. Vice-ministers also discussed how to best to prepare for the work beyond MC12.

Ottawa Group ministers will meet next on the margins of the OECD trade ministerial meeting on 6 October. The Ottawa Group has advanced work on critical issues and continued to push forward on WTO reform. We are firmly committed to carrying on this work ahead of MC12 and beyond to ensure action on issues of systemic importance.

42. Canada

I would also like to share Canada's brief observations, as Canada has shared its views widely already, in a variety of configurations.

As we move closer to the ministerial conference, we need to deepen our understanding of the issues behind our different positions and then identify concrete ideas to bridge the differences we have on these issues. Canada would urge all Members to focus on a realistic package for MC12 that includes an agreement on fisheries subsidies, a multilateral declaration on trade and health, demonstrable progress in the agriculture negotiations, including an outcome on an ambitious framework on domestic support and enhancements to transparency, and the conclusion of the joint statement initiative on services domestic regulation. Building on our longstanding past practices, Canada believes both moratoria should be extended. We also strongly believe that the WTO dispute settlement system is a central pillar of the rules-based multilateral trading system. We need to send a positive message at MC12 regarding our collective intention to ensure an improved and fully functioning dispute settlement system.

This remains our goal and we share your hope, DG, that Members will engage in a focussed manner to advance work in the right direction.

43. Uganda

Thank you, Chair, for the speech this morning and for the comments on the meetings that you held with regards to the pandemic, in particular. For Uganda this is an incredibly worrying situation not just within the trade and health sector but within our education sector that is now closed and has been closed for almost 18 months. I understand that this may not be necessarily a trade concern, but I would like to borrow from Norway and from Mauritius, my colleagues, who mentioned that as we consider the pandemic and the issues to be discussed at MC12 we consider the education of our children. We have no future beyond climate change if our children are not educated because of our limited or no access to the vaccines.

In terms of access to the vaccines, we are very delighted to hear that you are having conversations with the Congress, the White House, with Ways and Means and with Committees that we hope will move forward on domestic and other legislation, but we ask as you come back to Geneva and have various conversations with WIPO, WHO and yourself to consider that a mini elite system is being created with the vaccine certificate.

I share the Ugandan experience, where we do not have the choices, we either accept AstraZeneca manufactured in India or COVAX or Sinovac and our children would like to go to school, our parents would like for our children to travel and have other experiences that they are not able to do so at the moment. Our ministers would like to travel as mentioned by my colleague but in the request, and I completely understand the European manufacturing authority requesting that only certain

vaccines be accepted for meetings, restaurants, organizations and for education. What happens is that we begin to create a very elite system where in my country 260.000 people are vaccinated that means only 1% of my population can travel, come to a meeting, walk into a restaurant because the vaccine certificate is not accepted, soon we will not be able to board planes because the right vaccine has not been issued. We ask that this is not lost in translation during the conversations that you are having with the various organizations and countries of nonmanufacturing.

Going into the manufacturing agreements we note that our colleagues in Africa are working hard to be a part of the manufacturing conversation and the IP conversation. There is a possibility as Aspen, GSK and Johnson & Johnson has shown in South Africa for end manufacturing production where Johnson & Johnson was able to manufacture with Aspen and has a contract for 20 million viable doses and is manufacturing to the EU and to other countries. What we hope is that these agreements are more transparent, that the data that comes out includes purchasing agreements and not just the donation and we ask you as you consider to share with us the information on the dialogues that you are having to have data for us to take back home prior to MC12, including the LLDC study, Uganda is part of the land locked community and we would like to have these numbers articulated prior to our delegation's arrival in Geneva so as to know transparently whether these are purchasing agreement whether these are donations and what conversations are happening in terms of the IP Waiver.

In terms of deliverables, I would like to reiterate everything my colleague has said to the Fisheries Committee and to the Chair. My first market ever as a child, an African child, was a fish market. Uganda is house to the River Nile and to the Lake Victoria and the river Nile is huge, fish for us is huge. We reiterate what the African Group has mentioned prior, but we also are looking to work with you more consistently as we begin to go into the text. We thank you for your work, we ask that you do not give up, we truly appreciated what the Chair said, aim for success, I have not said it quite the way you said it, but we should look towards success or to James Bond. Those were my comments to fisheries in particular and that was my first market, so if there is anything we can do as a country within the African Group or as a country we are willing to work with you for the text, 21 years later. I would like to go back and tell my mother about her market.

Finally, Chair, we really want to thank you for your leadership, we are vice co-chairs with Barbados and look forward to working with you, my minister and my country are very much looking forward to the success of the MC12.

44. Viet Nam

First, Viet Nam would like to thank You, Madam Director General for convening this meeting and your assessment and sharing. We also thank Chairs of Negotiating Bodies for their respective comprehensive reports.

It is indeed important that Members constructively engage for deliverables at MC12, proving that the WTO, the multilateral trading system is relevant in tackling pressing global challenges, particularly in contributing for inclusive recovery from the COVID-19 pandemic. I assure you that Viet Nam continues to support multilateralism and a successful MC12.

Second, regarding Fisheries Subsidies Negotiations, we appreciate the efforts of the Chair of the Negotiating Group as well as many Members to engage intensively on the textual submissions and discussions, especially in recent weeks.

Since there is little time left, we recommend that different positions be revisited rigorously to show necessary flexibility and find the landing zones.

Third, the demonstration of the WTO's concrete and effective response to the pandemic by the MC12 is a common goal of the Membership. We are pleased that the outline that the Facilitator of the multilateral process Ambassador Walker shared with us on various chances is gradually fleshing out. We underline the necessity for the WTO response to be inclusive and meaningful.

Fourth, we note that consultations on the MC12 Outcome Document is gaining momentum as it is an important document to show our solidarity and unity at the MC12. We appreciate the General Council Chair's efforts to conduct the consultations in an effective manner to keep constant attention of the Membership on key negotiating topics. For the political message of solidarity embedded in the

document to be delivered to the world, we support a necessary level of ambiguity in textual formulation to avoid getting Members delving in contentious issues.

Finally, my delegation reiterates that Viet Nam supports multilateralism and reaffirms our commitment to work closely and constructively with You, and with other Members for the steady preparations towards the successful MC12.

45. Colombia

I am making this statement on behalf of Ambassador Santiago Wills, who in this session is focusing on his work as Chair of the negotiations on fisheries subsidies. The Delegation of Colombia thanks the chairs of the negotiating groups for their reports and for their dedicated work aimed at achieving concrete outcomes for the Ministerial Conference.

In this statement we would like to call for the recognition of the short time remaining and the challenges facing us, and therefore the need to focus efforts and acknowledge from here onwards the different levels of ambition by sector for MC12.

It is a priority for Colombia and for Members to reach an ambitious and definitive agreement on fisheries subsidies. Finalizing this agreement should be our main objective, and the issue on which most of the energies and resources available in the next two months should be focused. Fisheries must be our highest ambition. It is about concrete disciplines; it is about a new agreement; it is about regaining the status of the Organization as a viable negotiating forum; it is about contributing to sustainability in the midst of a climate crisis. We must deepen the text-based negotiations, and the discussions must be based on the current Chair's text. The time to deliver on the ministerial mandate and the SDGs is now, not later, and we must be flexible in order to move forward. For example, although we are not proponents and it is not our preference, as we have stated so far, we would be willing to review the *de minimis* proposal, echoing the position expressed today by Norway and its reasons.

Regarding agriculture, it has always been essential for Colombia to move forward on disciplines, especially those relating to domestic support, not only because of their distorting effect but also because of the enormous impact they have on the environment. With little time left for MC12, Colombia believes that the most sensible thing to do is to agree on the fundamentals and lay the groundwork for new disciplines. The Chair's text provides the key elements and includes ALL views, from the entire Membership, without including specific modalities, which is sensible. So, Colombia considers it vital to use the Chair's text to achieve consensus and lay the concrete basis for future work. Colombia has been proactive in this regard. For example, on the issue of PSH, not being a proponent, it has discussed the possibility of a negotiating framework, presented by principles derived from the text; we believe that this could be a good way out. Talking about what is not our preference is crucial at this time, but it is important that we all do our bit; it is not possible to achieve a *quid pro quo* by receiving alone and without giving anything in return.

Regarding the JSIs, we would like to express our optimism and support for the level of progress we are seeing in all the initiatives, and most especially in the Joint Initiative on Services Domestic Regulation where, as already mentioned, participants concluded discussions on the text, and we are ready to take the next step towards improving Schedules of specific trade disciplines.

Regarding trade and health and the WTO response to the pandemic, Colombia, along with a group of Latin American countries, has expressed on several occasions its deep concern about various trade practices and export restrictions that hinder and limit the importation of vaccines, lead to hoarding in producing countries, and trigger vaccine tourism and the poor distribution of vaccines around the world. Better discipline in this regard is critical as part of the pandemic response package.

Finally, with respect to the initiatives for WTO reform, Colombia considers that this is a key issue for the relevance and future prospects of the rules-based trading system and must be resolved by MC13. We must therefore agree, at a minimum, on a structured work programme that finds solutions to the Dispute Settlement Body and the variable geometry of the organization, as other Members have proposed.

In conclusion, Madam Director-General, we wished to highlight the importance of calibrating the different levels of ambition that are feasible and of spending our scarce time in a focused manner.

MC12 should see us with a practical and pragmatic solution that ensures the Organization remains relevant.

46. Bolivarian Republic of Venezuela

The Bolivarian Republic of Venezuela welcomes the convening of this meeting, your activity report and the reports of the chairs of the negotiating groups.

With the Twelfth Ministerial Conference only a few weeks away, we wish to reiterate our full support for the WTO, at a time when it is crucial to demonstrate the pivotal role played by the WTO in the multilateral trading system. In particular, we support every effort that can be made by this Organization to address the negative consequences of the COVID-19 pandemic.

We must change the prevailing economic system of exploitation and consumption that promotes segregation and discrimination. This can be seen in the uneven distribution of vaccines globally in response to a pandemic that has been shown to be indiscriminate. Before the United Nations (UN) General Assembly on 17 September 2021, the Director-General of the World Health Organization (WHO) warned that, although more than 5.7 billion vaccine doses have been administered globally, 73% of all doses have been administered in just 10 countries. High-income countries have administered 61 times more doses per inhabitant than low-income countries. We therefore hope for a prompt outcome regarding the waiver of certain provisions of the Agreement on the Trade-Related Aspects of Intellectual Property Rights (TRIPS) for the prevention, containment and treatment of COVID-19.

Another of our priorities is to strengthen all the functions of the Organization, including that of trade negotiations, in order to achieve tangible results that allow for the creation of new rules governing international trade, with a vision linked to cooperation, development and respect for the self-determination of peoples. In our opinion, the key element is to rebuild trust among Members, by making it clear that any outcome must be inclusive.

We are therefore committed to achieving results in the negotiations on fisheries subsidies. We are convinced that the success of these negotiations depends on our responses to the elements set out in the negotiating mandate reflected in Sustainable Development Goal Target 14.6, especially the inclusion of special and differential treatment, which is appropriate and effective for the developing and least developed countries, and we therefore hope to achieve more flexible rules on artisanal and small-scale fishing.

With regard to the other negotiating areas, we look forward to substantive outcomes in agriculture, especially in public stockholding for food security purposes and the special safeguard mechanism. Concerning the negotiations on special and differential treatment (SDT), we hope for the adoption of results based on the G90 proposals, which our country supports. The vision reiterated by Venezuela for SDT is that it should not be limited to granting grace periods and providing technical cooperation to developing countries. It must also allow countries to continue to implement "active" development policies, which should translate into concrete actions and provisions, to prevent that treatment being watered down into merely declarative principles.

Regarding the other functions of the WTO, we consider it vital to launch the selection processes for Appellate Body vacancies. We encourage the Member that opposes this process to reflect and to contribute to the prompt restoration of the work of this body and to dispute settlement in general.

We are well placed to move forward in all the negotiations and to ensure that the WTO fulfils all the functions for which it was created, in keeping with the principles agreed in this Organization, respecting consensus and abiding by the negotiating mandates. It is crucial that all Members be taken into consideration, their diversity recognized and their right to move forward on the development path best suited to their realities respected. We cannot afford another failure that would move us further away from the objectives agreed by our Ministers at the previous Ministerial Conferences. Two-way communication is important, speaking and listening, to understand the different capacities that WTO Members have to implement "active" development policies, which can translate into concrete actions and provisions on the matters agreed upon in the negotiating mandates, preventing any subsequent dilution into commitments that cannot be fulfilled.

Mistrust in the Organization grows as the list of unresolved issues gets longer. We will fight for the Organization to be able to address the trade concerns of all its Members, including the implementation of illegal and criminal unilateral coercive measures, which have a negative impact on all sectors, especially food, health, transport, communication and technology. Our ultimate objective is to ensure a fair multilateral trading system that is reliable and respectful of States' sovereignty, as well as to obtain the benefit promised under the Agreement that created the WTO.

47. Sri Lanka

Let my delegation also joins others in thanking the Director-General for your leadership in convening the meeting and also laying the key challenges before us with your best prescription, which you foresee could be the best way to take us towards achieving meaningful, balanced and fair outcomes at MC12.

Like the speakers who spoke before me, Sri Lanka wishes to appreciate the reports and updates presented by GC Chair and other Chairs of all negotiating bodies and share their sober assessments on the progress being made and the complex nature of issues that are still pending to be resolved.

Sri Lanka wishes that all Members could be as optimistic as you are as to what we can and really want to achieve at the MC12. But it needs to be borne in mind that we are still divided as to the list of Members' priorities where they seek outcomes at MC12, that are capable of salvaging the image of the WTO as the sole custodian of the MTS, and to show the world that the WTO can still make a positive difference to poor people, lives across the globe.

In line of this, Sri Lanka wishes to share what it sees as its priorities.

First, Chair, the world is paying a heavy price, both in human and financial aspects, until the desired equity in availability and distribution of vaccine for COVID-19 is found. Though Sri Lanka had great optimism that the solution could be achieved as soon as possible through the proposed TRIPS waiver, after assessing the progress the Members made so far in the TRIPS Council under the guidance of its Chair, such ray of hopes are slowly disappearing indicating that we may be heading towards another debacle at MC12. Would other WTO responses to COVID-19 Pandemic suggested under the Ambassador Walker process be capable enough to reverse it, it is yet to be seen. I echo the words expressed by the delegation Pakistan in this regard.

Since the proposals tabled by the co-sponsors over an year ago, which also followed an initial expression of joining text-based negotiations on the proposal by non-proponents, the WTO still fails to lay at least the principles or an outline of a possible modality that would help Members addressing this health crisis, so that the WTO can play one of the most significant roles at all times by offering a multilateral solution that ensures affordable access to the vaccine and requisite technologies. This would give us an opportunity to build back more equal and sustainable sources of supplies as we continue to live with the pandemic in many more years to come.

Sri Lanka also recognizes your efforts, Chair, to find solutions for the vaccine shortages and the general fight against the pandemic and commend your genuine efforts finding an outcome. Further, as there appears to be two parallel processes that are ongoing in relation to affordable access to the vaccine and requisite technologies, as distinguished Ambassador of South Africa stated, it is imperative that we align those processes at one point leading up to an outcome at MC12.

Madam Chair, the TNC had been established under the DDA with a view to delivering on critical issues that promoted development. The DDA is not limited to the fisheries negotiations. Meaningful outcomes in all the outstanding issues, particular in agriculture, under PSH and SSM are needed to be delivered, which is our preferred second priority area.

This is critical for progress and for the WTO to contribute meaningfully to people's livelihoods, food security, sustainable development and job creation, we therefore not in a position to agree on disciplines to curtail the Article 6.2 domestic support in the guise of disciplining the distortive domestic support. MC12 should deliver a mix of immediate outcomes and a work programme for future work. The outcomes should include a decision on capping and on eliminating AMS above de-minimis. Other expected outcomes should include a permanent solution on PSH – a critical food security support instrument, at least an interim solution on SSM to enable Members to deal with the challenging issues of price volatility and import surge.

Third, in relation to S&DT, the G-90 revised proposals are a genuine attempt to address real and specific challenges facing developing countries in their quest to participate in global trade and industrialize. Sri Lanka wishes to see a meaningful outcome on this important mandated and long standing issue at MC12.

Fourth, on fisheries subsidies negotiations, while appreciating the efforts of the NGR Chair taken so far aiming for a balanced outcome, the process cannot be blind to the unprecedented challenges and the need to ensure that the process is transparent, inclusive and allow for Members to get actively and meaningfully engaged.

The disciplines are required to deliver on all pillars of the mandate, target distant water and large scale, industrial fishing and not constrain the developing countries on use of beneficial subsidies that contribute to the sustainability of fish stocks, safeguard food security and livelihoods of coastal communities, including policy space to develop their marine resources.

Sri Lanka is an active advocator and is contributing to the discussion to reach a balanced and fair outcome building on the key principles of Common, But, Differentiated Responsibilities and S&DT, which is an integral part of the mandate so as the outcome. The perceived imbalances in many articles are still persisting, including in Article 5 of the DCT and genuine desire to address them sooner rather than later will lead us towards a path of outcomes instead of a derailed or a failed process. Today we witness a genuine effort being made by Norway, when it laid its perspective on the ways and means of achieving the sustainability, while addressing the root causes that created to current status of the fishery resources.

Proposals being submitted by Members should be accorded equal treatment in the negotiations and valid criteria should also be used in picking the countries for small and closed door meetings. In saying so, we value the proposals presented by the ACP Group and India recently, which add very timely and pertinent formulations that help us addressing the perceived imbalances.

Equally, we need to see further positive movements from other Members that would take us towards certain landing zones. In this regard, Sri Lanka is willing to work constructively with the Chair towards a balanced outcome that delivers on the mandate.

Finally on the proposal made by the Ambassador of Mauritius today on the high freight cost of containerized shipping, Sri Lanka wishes to support all such efforts which WTO is aiming to tackle, as you mentioned today, under your leadership.

Madam chair, containerized shipping underpins the transport and delivery of global manufactured goods, including inputs, parts, components and consumer goods. On the heels of the COVID-19 pandemic and its aftermath, the cost of shipping containers has reached historical highs. The cost of shipping of one standard 20-foot container is today nearly five times higher than the average of the last 12 years. As it is understandable, such high cost negates the competitiveness of many small developing countries, such as Sri Lanka, who are small suppliers.

The reasons are many folds, but the key reasons are, first, turnaround time for containers, trailers, and ships in ports and intermodal transport links is slower than normal, as ports, transport providers and shippers have to comply with health regulations and social distancing. Second, supply capacity is not growing fast enough to catch up with demand and the ability of ports to adjust is more constrained than that of shipping lines.

These factors have worsen congestion in key ports and shipping nodes, increased delays, reduced visibility of shipments, increased fees and surcharges, added blank sailings, increased overall shipping costs and amplified trade frictions.

As you may know, the high freight rates have a direct impact on the import price of goods, and to the extent that costs are passed on to the consumer, also on the final price in the shop.

Madam chair, no one knows how long will it take freight rates to return to earlier low averages? There are several medium- and longer-term trends suggesting freight rates will likely remain higher than the previous long-term average for several years.

In view of this, my delegation appreciates your leadership and as proposed by Ambassador of Mongolia, we call upon the WTO to help us address this burning issue through an array of mechanism at which the WTO rules and initiatives have the ability to make significant contributions.

48. Republic of Moldova

This morning session reminded me about a quote which says that "Bad news should always come after lunch, first thing in the morning everything left a bruise." I must admit that after the sober assessments and statements during our morning we all had that feeling of being "bruised", and left to reflect deeper on our way forward towards MC12 and beyond.

Madam Chair, my country as a developing economy, is among the members who do support and do believe that a successful and meaningful MC 12 is still within reach if Members contribute collectively to it.

As already mentioned by my colleagues, this is a critical time for this house, which will show if WTO Members are able to deliver the long-awaited outcomes. In this context, we express our concern and call upon Members holding divergent views to stand up and focus together on bridging their positions towards consensus for a meaningful result on fisheries. The credibility of this organization is at stake, and it is each member responsibility to insure its own contribution for the consensus.

Furthermore, Moldova supports the ongoing discussions for the ministerial preparations, particularly those on possible Outcome Document for MC12, WTO response to the pandemic, as well as the discussions related to the Joint Initiatives. We note with appreciation chairs and facilitators efforts in all ongoing discussions, we also share the view of many other colleagues that we have to focus on priorities, and concrete achievable outcomes, both, in short term and long-term perspective.

In this context, with the purpose of driving the process forward post-MC12, along with other Members, we are ready to support a work program for which Ministers would provide guidance during the upcoming Ministerial. The WTO work program should also go in line with current realities of 21st century (or be fit for purpose within the 21st century) and consider insights /needs mentioned in the discussions with private sector (stakeholders) and MSMEs as well.

We also hear many Members and voices outside this organization stressing that WTO must remain relevant and functional. Therefore, we would like to reiterate the importance of the DS resolution and reform included as the main priority in the outcome document with actions planned beyond MC12. We consider that the restoring a fully functional two-tiered Dispute Settlement system must remain a priority for all Members.

Another current priority refers to discussions on WTO response to pandemic. Moldova appreciates and supports Ambassador Walkers' efforts on the process conducted so far in this sense and we do support the inclusion in the draft text relevant elements from the Trade and Health initiative as revised.

Speaking about deliverables on Joint Initiatives, it was very encouraging to hear today the captured progress reported within e-commerce negotiations, as well as the domestic services regulation reaching an important milestone. Moldova fully supports and commends the high level of engagement and hard work of Members within all JSIs. As many other Members, we believe that these Joint Initiatives are an important contribution to this organization, which will lead to important deliverables responding to 21st century realities. We also support the very intensive activity and discussions within the TESSD (Trade and Environmental Sustainability Structured Discussions) and the revised Fossil Fuel Subsidies Reform initiative.

In the negotiations on Agriculture, which is an important priority for my country, we expect that a meaningful outcome at MC12 is less achievable. However, we do support the necessity of adopting a balanced work program, which will pave the way forward for the negotiations post MC12. In this context let me reiterate that the Republic of Moldova considers a priority to address the existing imbalances between the commitments of Members that acceded to the Organization under Article XII and those of the original Members in all 3 pillars of agriculture negotiations, particularly focusing on market access and domestic support. Additionally, our expectations at MC12 would also include in the package the insurance of global food security through a WFP decision, which was within reach last December.

On services, Moldova does support the necessity of restarting the negotiations on *enhancing market access*, including sending a political signal and agreeing to start negotiations post MC12 as suggested by the chair of the Committee.

Last but not least, Republic of Moldova continues to support the extension of the moratorium on electronic transmissions with a view to make it permanent, as well as the moratorium under the Article 64.2 on TRIPS non-violation complaints.

Finally, we stand ready to engage constructively with Members in the discussions on preparations for MC12 and beyond, as well as we will further support the initiatives aimed to strengthen the multilateral trading system.

49. Honduras

Thank you, Director-General and thank you Negotiating Group Chairs and Chair of the General Council for your reports and your efforts.

As we have previously stated, the WTO response to the pandemic is a priority for our country, and we agree with a number of Members that the subject of trade and health must be integral and central to the Twelfth Ministerial Conference (MC12), without preventing us from achieving balanced results on the topics under negotiation. The consequences of the COVID-19 pandemic have represented great challenges and threats for all the Members of the Organization. As a side effect, our industries are now facing the largest percentage increase in input costs and essential raw material costs in history.

In addition, we are facing an unprecedented increase in logistics costs for imports and exports, in particular global freight costs. This has a direct impact on production and marketing logistics chains for goods, which in turn affects the price and supply of products, resulting in lower purchasing power for consumers and businesses. Our delegation wishes to point out that this situation represents a serious threat to global macroeconomic stability, especially impacting all the countries that depend on international trade.

We therefore support and agree with the idea shared by the distinguished Ambassador of Mongolia and other Members, which is to convene a special session to address this topic at the WTO, with a view to discussing it with all the relevant parties in order to develop and build an appropriate regulatory mechanism for resolving similar situations. This mechanism would be included in the final document as a potential outcome for MC12.

Finally, we hope that together, we can find the path to achieving effective and much-needed outcomes that are in the interest of all, as well as a successful Ministerial Conference.

50. Cameroon

Madam Chairperson, Cameroon has taken due note of the elements of your report as well as those of the various negotiating bodies and welcomes the commitment of these bodies to a successful outcome at MC12.

My delegation reiterates its constructive commitment to work with all delegations towards a successful and meaningful outcome of the ongoing negotiations and associates itself with the statements made by the African and ACP Groups.

Congratulations to the interpreters who work hard every day to facilitate our exchanges.

Madam Chairperson, according to the last correspondence sent to you by the Minister of Trade of Cameroon, the post COVID-19 economic recovery and the fight against food price inflation should mobilize all our energy towards MC12.

With regard to fishing, we remain committed to concluding an agreement and support the sensible recommendations outlined in your introductory remarks, which merit proper consideration.

As you have so rightly stressed, the *status quo* is not desirable given the overcapacity and overfishing observed at sea. This is why we cannot legalize certain States' subsidies that have long been called into question by the institutions responsible for fisheries management. At the 15 July ministerial meeting, our Minister reiterated Cameroon's readiness and willingness to reach a fair and equitable agreement that is consistent with the mandate, and then clearly emphasized the Government of Cameroon's significant reservations as regards this hybrid proposal that neither provides for the prohibition of harmful subsidies nor is accompanied by any performance requirements.

To date, only a few States, including African and ACP States, have clearly committed to limiting subsidies in their waters to below a global marine capture threshold. We will continue to put forward proposals to improve the text and remain optimistic as regards a possible outcome at MC12, if: the major subsidizing countries commit to a minimum reduction of their subsidies; we focus on industrial and small-scale fishing and exclude artisanal fishing from the scope of this instrument; we limit the application of Article 5.1.1 to waters under the jurisdiction of States; we strengthen Article 3 to ensure that the sanctions against illegal, unreported and unregulated (IUU) fishing are effective and in compliance with international law. On this point, it is essential that the competence and primacy of the coastal State are recognized; special and differential treatment takes into account the needs of developing countries; common but differentiated responsibility and the polluter pays principle are integrated.

While the flexibility of the parties is essential for reaching a consensus, it is important to highlight that respect for the mandate that we set ourselves is fundamental in order to legitimize the negotiations. The success of negotiations lies in these two elements. In the absence of respect for the mandate, a text for protocol needs may be concluded, without meeting the actual needs identified to begin with. This is the danger that we face in the fisheries negotiations, the text and discussions on which too often diverge from the mandate calling for: the prohibition of certain subsidies that contribute to overcapacity and overfishing; the elimination of subsidies that play a role in IUU fishing; and the granting of precise, operational and effective special and differential treatment to developing countries in order to meet their development needs. However, as has been repeatedly highlighted by the African Group, the ACP Group and other delegations, Article 5 of the current text on overcapacity and overfishing does not prohibit the most harmful subsidies and instead legalizes questionable practices under a veneer of sustainability that is not attached to any performance requirement.

Turning to agriculture, we have always indicated that this issue is key for our country. The proposals put forward by the African Group, which do not feature in the report submitted for our assessment, warrant appropriate consideration. We are of the view that MC12 should set the cap on domestic support measures at the *de minimis* level. This is the minimum that should be established to pave the way towards equity and justice. We support the adoption of a consensus decision on public stockholding and consider that it would be wise to approve its permanent use. It must be said that these stocks are essential for our economies and merit special attention.

In terms of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), Cameroon invites all parties to work towards the adoption of a package of measures aimed at facilitating access to vaccines and pharmaceutical products. In our view, there is no use speaking in favour of universal access to vaccines, while at the same time objecting to the temporary lifting of certain rules on the pretext that such a measure would have a limited impact. Only a combination of measures would be effective in tackling the COVID-19 pandemic. As long as there is no panacea for vaccine access, we will not bring this pandemic to an end with half measures.

Concerning development, Madam Chairperson, Chairperson of the Council, if there is one subject that combines division and often the marginalization of developing countries' expectations, then that topic is certainly development. On this matter, the Chairperson of the Committee on Trade and Development in Special Session has, in vain, been encouraging certain delegations to engage constructively. For over 20 years, we have been given a mandate to make the special and differential treatment provisions effective, operational and precise. For over 20 years, the G90 has been submitting proposals that are given no consideration. For over 20 years, all proposals, including those with only a limited scope in procedural terms, have been systematically rejected. We hear very few invitations to recall the importance of development and have high hopes that MC12 will place development at the centre of the topics under discussion.

We are aware that we need to be realistic, pragmatic and determined in order to reach a reasonable consensus on several points by MC12.

Lastly, we would like to be informed in good time of the modalities for participating in MC12 in order to facilitate the physical participation of delegates from the capital. Madam Chairperson, Chairperson of the General Council, you may rest assured that Cameroon will pursue its constructive commitment to ensure the success of our work.
