



16 December 2022

Original: English

(22-9403) Page: 1/108

General Council 6-7 October 2022

MINUTES OF THE MEETING

HELD IN THE CENTRE WILLIAM RAPPARD AND IN VIRTUAL FORMAT ON 6-7 OCTOBER 2022

Chairperson: H.E. Mr. Didier Chambovey (Switzerland)

The Chair and the Director-General extended deep condolences to the people and governments of the United Kingdom and the Commonwealth on the passing of Her Majesty Queen Elizabeth II. The Chair and the Director-General also expressed deep condolences to the government and the people of the Central African Republic on the passing of H.E. Mr. Léopold-Ismaël Samba. The General Council then observed a moment of silence.

The Chair and the Director-General welcomed H.E. Mr. Luc Magloire Mbarga Atangana, Minister of Commerce of Cameroon, H.E. Dr. Thani Bin Ahmed Al Zeyoudi, Minister of State for Foreign Trade of the United Arab Emirates, and H.E. Ms. Luz María de la Mora, Vice Minister of Foreign Trade of Mexico – who then addressed¹ the General Council respectively.

The Chair and the Director-General bade farewell to H.E. Mr. Chad Blackman (Barbados), H.E. Mr. Morten Jespersen (Denmark), H.E. Mr. Mustafizur Rahman (Bangladesh), H.E. Dr. Rashidi Said (Malaysia) and H.E. Mr. Santiago Wills (Colombia), and expressed appreciation for their valuable contribution during their time as Permanent Representatives.

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¹ The statements of H.E. Mr. Luc Magloire Mbarga Atangana (Cameroon), H.E. Dr. Thani Bin Ahmed Al Zeyoudi (United Arab Emirates), and H.E. Ms. Luz María de la Mora (Mexico) can be found in Annex 1, 2 and 3 of this document, respectively.

² The proposed agenda was circulated in document WT/GC/W/854.

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1 REPORT BY THE CHAIR OF THE TRADE NEGOTIATIONS COMMITTEE AND REPORT	RT BY

- 1.1. The Chair recalled that, at the Informal General Council meeting on 4 October, he had updated Members on the ongoing consultations regarding vacant chairmanships of the Committee on Agriculture in Special Session (CoA SS), the Negotiating Group on Rules (NGR) and the Committee on Trade and Environment in Special Session (CTE SS) and he referred to his report circulated in document JOB/GC/318. He encouraged group coordinators to step up their efforts and consult with their constituencies and reach out to other Members not part of a regional grouping. He hoped that Members would arrive at an emerging consensus as soon as possible. In terms of next steps, he said that he intended to continue consultations together with the former General Council Chair, Ambassador Dacio Castillo (Honduras), and the current DSB Chair, Ambassador Athaliah Molokomme (Botswana), and bring the process to a good end. He then invited the Director-General to provide her report under this item.
- 1.2. The Director-General delivered the following statement³:

THE DIRECTOR-GENERAL

- 1.3. Let me begin on behalf of the WTO Secretariat by sending deepest sympathies to the People and Governments of the United Kingdom and the Commonwealth on the passing of Her Majesty Queen Elizabeth II who was a constant figure of strength, service, and duty.
- 1.4. I would also like to pay tribute to a remarkable friend and brother, Ambassador Samba a powerful force that the International Community and diplomatic corps in Geneva lost. We celebrate and emulate his extraordinary life as a tireless advocate for trade-led development, the environment, democracy, and health for all. From my early days in Geneva, I was struck by Ambassador Samba's charisma, devotion and service to the African Group of Ambassadors and technical experts. He spared no efforts in safeguarding the interests of his country, of the African continent, and of the wider group of least-developed countries across several International Organizations in Geneva and abroad. He did not have a great deal of resources to work with, but he worked hard, and he delivered

³ The Director-General's statement was subsequently circulated in document JOB/GC/319.

much. On behalf of all the WTO family, let me extend deepest condolences to Ambassador Samba's family and the people of the Central African Republic.

- 1.5. Before I turn to this agenda item, I would also like to join the GC Chair in welcoming H.E. Mr. Luc Magloire Mbarga Atangana, Minister of Trade of Cameroon, and H.E. Dr. Thani bin Ahmed Al Zeyoudi, Minister of State for Foreign Trade of the UAE, and thank them for their statements this morning and their governments for their offers to host MC13. This is a testament to their commitment to the multilateral trading system.
- 1.6. I understand that the GC Chair will start consulting Members on this matter soon and I hope for swift convergence on the date and venue of the next Ministerial Conference.
- 1.7. I would also like to thank H.E. Luz Maria de la Mora Sanchez, Vice Minister of Foreign Trade of Mexico, for her remarks and for Mexico's constructive and active participation in WTO work.
- 1.8. I join the GC Chair in welcoming new Permanent Representatives and bidding farewell to departing ones. I already made my farewell remarks to Ambassador Santiago Wills at last week's meeting of the Negotiating Group on Rules. I understand that Ambassador Wills' statement containing his reflections as NGR Chair was circulated in document TN/RL/35.
- 1.9. I would also like to bid farewell to Ambassador Mustafizur Rahman (Bangladesh), Ambassador Morten Jespersen (Denmark), Ambassador Rashidi Said (Malaysia) and Ambassador Chad Blackman (Barbados) who have played key roles in various WTO bodies and processes, particularly at MC12. Thank you all for your commitment and contributions to the WTO. Wherever your future endeavours take you, and I want to congratulate all of you because all of you are moving to interesting assignments, I hope you will all remain advocates for a strong and effective multilateral trading system.
- 1.10. Turning now to my report. Last week's Public Forum welcomed more than 3,500 registered participants from across the world to discuss how trade and the WTO can contribute to a sustainable and inclusive recovery from the shocks of the past two and a half years. Over 140 sessions and 600 speakers from diverse fields facilitated these discussions. I hope the exchanges and new ideas we have heard will help inform and stimulate our work here in Geneva.
- 1.11. I want to take a moment to commend the Secretariat team for their excellent organization of the entire event. I was in many sessions walking around and the buzz that went on in this Public Forum is a testament to this organizational skill and the fact that Members and visitors enjoyed this event and enjoyed seeing each other in person after such a long time. I want to thank Members because many of you were active as speakers on panels, participants as well as support for various panels and that really made it work well. So, congratulations to all of you.
- 1.12. Making the WTO more responsive to the needs of people starts from all of us listening to their views and concerns. That is why engaging the public in our work is so important and I was glad to hear a number of you refer to this at Tuesday's informal GC. We had examples from the UK and Korean delegations.
- 1.13. To this end, I continue to think it would be useful for me to be able to consult a group of civil society and business who are very intent on having continuous interactions with us. Of course, they do it through the public forum. But, I have heard so many submissions now about trying to have a group that will interact with me to be able to feed in their views of what we are doing in a more continuous fashion. Perhaps having such a group of stakeholders and that one consults from civil society and business is a good thing and something I am thinking very much of putting in place.
- 1.14. The goal of ensuring that trade contributes as much as possible to improving people's lives and livelihoods is what lies behind my constant call for the WTO to deliver results. As we begin to lay the foundations for a more responsive WTO and a successful MC13, we should remember that we do not need to wait for a Ministerial Conference to deliver results.
- 1.15. As TNC Chair, this means facilitating negotiations and helping you build convergence on a focused, solutions-oriented agenda. In that spirit, we all agreed that there are certain things that

we can deliver here at the General Council. We need not pack everything and wait for a Ministerial Conference. I hope we will be true to our word and try to sort out some of our deliverables here at the General Council.

- 1.16. Part of the work we need involves swiftly filling the vacancies the Chair just highlighted on the Committee on Agriculture in Special Session, Negotiating Group on Rules and Committee on Trade and Environment in Special Session. I reiterate my call from Tuesday to constructively engage in this appointment process. Please help the GC Chair and Ambassadors Molokomme and Castillo to build convergence on the Chairmanships as soon as possible. It would have been ideal if we could have the points people before the upcoming retreats, but I know the fisheries retreat is almost upon us. In any case, I certainly hope that before the agriculture retreat, we will have very clear knowledge of who will be filling these various vacancies.
- 1.17. Turning to our many areas of substantive work, many of the Leaders and Ministers I have recently spoken to want to see Members seriously engage on reforming agricultural trade. Numerous civil society groups share this sentiment.
- 1.18. I recognize the efforts made over the past 22 years since the reform mandate took effect. There have been good ideas, and some valuable steps such as the Nairobi decision on export competition which was quite consequential. But the experience up to and at MC12 showed us that if we are going to make serious progress, we need a fresh approach.
- 1.19. This work could not be more urgent, as people struggle with high food prices, and global agricultural production confronts climate risks, water scarcity, and supply chain issues for fertilizer, seeds, and other key inputs. At the recent UN General Assembly which I attended, food security was high on the agenda for Leaders from all around the globe. And I participated in no less than three sessions on food security. While the MC12 decisions in response to the food crisis are widely appreciated, WTO agriculture negotiations can and must contribute more to addressing these challenges.
- 1.20. We must recognize also that much has changed since these negotiations began. We are no longer today where we were 22 years ago. Much of the context in which agriculture takes place has changed. I would hope that at the retreat on 24 October, we will be able to listen to new ideas from scientists and agricultural trade specialists who would take through some of the changes that they see in the world. If we stand back and absorb this information, I hope it will animate the way we think about approaching agricultural negotiations. So, this will not be an exercise in academics or just having theoretical presentations. It is an exercise in telling us what is really happening on the ground and challenging us to see how we should factor these developments into the way we approach agriculture negotiations in the future. I hope this retreat will work and serve as a catalyst to help Members think freshly and innovatively. I hope we will not just retreat back into our normal statements but really come with open minds and fresh approaches.
- 1.21. I acknowledge the efforts of the Cairns Group in organizing their own retreat on rethinking the agriculture negotiations particularly in light of urgent present and long-term climate and water challenges. I also recognize efforts by other Members in reaching out to each other and I encourage everyone to continue brainstorming and testing ideas especially with those who have different views.
- 1.22. Let me briefly refer to the MC12 Ministerial Declaration on Emergency Response to Food Insecurity and encourage Members to implement those provisions. I want to draw particular attention to the needs of LDCs and NFIDCs. Let me congratulate Members who are taking trade facilitation measures. We always forget that Members are actively doing this and there 46 trade facilitation measures that have been taken since the war in Ukraine began. I also want to draw your attention with regard to the portion of the declaration on export restrictions and prohibitions. Previously, a month or two ago, we are moving in the right direction with respect to our promise to keep export prohibitions and restrictions down so that we can ensure the free flow of trade in food. We were at 57 export restrictions since the war began and we had phased out 15 coming down to a total of 42. But I have to draw your attention that we are going back in the opposite direction. We have now added 11 new restrictions on food, fertilizer and other inputs, and we are back to 53. This is certainly not a trend to be applauded. I would like to strongly request Members to please look at this because these export restrictions and prohibitions do have an impact on international prices for

food and they do have an impact on the availability of inputs such as fertilizers moving from one part of the world to the other where it is needed. I would like to see us reverse this trend and be able to report that we are moving back in the right direction.

- 1.23. At the UN General Assembly, there was a meeting with President Macron and some other EU and G20 Leaders and the Heads of Multilateral Organization on what we need to contribute to the issue of food security. At the end of this meeting, tasks were divvied up for the multilateral organizations to deliver. What was asked of the WTO is to make a report before the G20 Leaders in November about where we stand and how we are doing on this declaration on keeping a free flow of food trade and trade in agricultural inputs. So, we and the FAO have to report on this, and it would not look good if what we would have to report was a reversal in the trend. For the WTO to be seen as contributing to the solution to this problem, we need to look at what we are doing. This is a strong plea to enable us to put our best foot forward in November with the Leaders of G20 and the world.
- 1.24. With regard to special and differential treatment the 57th Special Session of the CTD met on 23 September. I understand that a suggestion was made to intensify discussions with a view to reporting to the General Council in July 2023. I am informed that the CTD SS Chair Ambassador Kadra Hassan, has been reaching out informally to Members in an attempt to inject dynamism in these discussions. Let us recall that Ministers provided clear direction at MC12 on improving the application of special and differential treatment in this regard, as enshrined in Paragraph 2 of the Outcome Document.
- 1.25. I therefore urge all Members to constructively engage with the CTD SS Chair, as well as with each other, in search of mutually agreeable solutions. I recognize the different views put forward by Members on S&DT and on development issues in general. These are very big issues. But, as MC12 showed us, with sufficient political will and flexibility we can find creative solutions for the common good.
- 1.26. Regarding fisheries subsidies, you have already received the invitation for the retreat on 10 October in Evian. A logistical note was also sent this week. Five Ambassador Facilitators have volunteered to help run the brainstorming sessions and the former Chair Ambassador Santiago Wills has been invited as an expert, which many of you support. He will help us to navigate and lead this retreat. I think this retreat will be an excellent opportunity to really think outside the box on how best to tackle the outstanding but also difficult issues. Ambassador Wills, no longer being with us but knowing the subject, is uniquely placed to help us in an objective fashion to try and navigate these waters. So, I again want to urge all Members to come with an open mind to engage in true brainstorming mode.
- 1.27. We need to successfully conclude these negotiations. If we fail to do so the new agreement will sunset four years after its entry into force an outcome that would be devastating for our oceans, for the millions of people who depend on marine fisheries, and for our credibility here at the WTO.
- 1.28. Let me also call on Members to deposit their instruments of acceptance for the Fisheries Subsidies Agreement, so that its disciplines enter into force as soon as possible. I am challenging Members to do this within the next six to nine months. Our oceans cannot wait.
- 1.29. Let me also encourage Members to intensify work and reach a mutually acceptable outcome on Paragraph 8 of the TRIPS Decision from MC12, namely whether to extend the compromise reached for COVID-19 vaccines to cover therapeutics and diagnostics. The 17th of December is fast approaching. I therefore urge all Members to constructively engage in the discussions in the TRIPS Council under the leadership of the Chair, Ambassador Gberie. We have heard H.E. Luz Maria de la Mora Sanchez of Mexico say that this will not be easy. I agree with her. But Mexico has stated its willingness to come with an open mind to see how they can constructively work with everyone towards this decision. I want to thank Her Excellency for this open mind. I hope we will all emulate Mexico and come with an open mind so we can reach a sensible decision for the benefit of all.
- 1.30. On WTO reform, as I said on Tuesday, this is the subject most frequently raised by stakeholders I have met since June as well as Leaders and Ministers including at recent meetings of the G7 and the G20 Trade Ministers. This morning, we had the pleasure to receive a delegation of

the United States Congress – the House, Ways and Means Committee. They also raised this issue as something front and centre. They recognized and applauded the success at MC12, but they stressed that WTO reform is key to members of the US Congress and the business community. They continued their support and recognition of the WTO as an organization that is important to address the problems of this world. Absent the movement on this reform, the WTO will not be seen as delivering. So, I just want to use an example, hot off the press, to let us know that we really have to work on issues of WTO Reform. I listened carefully to the Chair's report and your interventions. As I said then, the coverage of WTO Reform is quite large. Therefore, attempting to act on all fronts at once would lead us to gridlock. I am sure of that. This is why a hybrid approach – bottom-up for the deliberative function in WTO bodies and top-down in identifying one or two cross-cutting issues that we can deliver possibly at MC13 would be a very good way to approach this. All I ask is that we do not allow this reform process to end up in gridlock.

- 1.31. As I pointed out on Tuesday, the business community like all Members attaches a high level of importance to the reform of the dispute settlement system. We must therefore act with a sense of urgency in line with paragraph 4 of the MC12 Outcome Document whilst giving full space with to the process that is underway now of consultations led by the United States to have its time until the end of the year, as they have requested.
- 1.32. As we implement the MC12 outcomes and move ahead with WTO Reform, Members also have an opportunity to discuss the future of trade which I remain convinced, and I say this everywhere, that the future of trade is services, digital, green and should be inclusive. We must build on the positive momentum from your successes at MC12 and various MC12 outcomes begin to point to ways forward.
- 1.33. On the green aspect of the future of trade, I wanted to report that last month, I attended the Global Center on Adaptation's Summit on Africa, where we looked at the international community for commitments and action to support Africa's climate adaptation needs and a just low-carbon transition. It was clear from the discussions there that for African countries, and indeed for all WTO Members, trade and trade policies have integral roles to play in enabling climate adaptation and ensuring a green, sustainable, and development-friendly future for all.
- 1.34. I want to use this opportunity to say to all of you that COP27 in Sharm El Sheikh will soon be upon us. We are looking towards a strong WTO presence at Sharm El Sheikh just as we did at COP26 in Glasgow. We want to thank the Egyptian authorities for receiving our mission and working with us to make sure the WTO presence is a strong one. We have a report coming forward that we can be proud of. It is on trade and climate. That is a flagship report for this year. We want to demonstrate what climate change may mean for trade but also what trade can do to help us reach our target of net zero by 2050.
- 1.35. Before I conclude my report, let me touch upon the date of the next TNC. Delegations will recall that on Tuesday, in response to the question posed by Ambassador Cancela of Uruguay, I said that I had not convened a TNC ahead of this General Council because I wanted to allow more time for discussions on various subjects to advance. My intention therefore is to hold a Formal TNC meeting on 30 November to take stock of work, including the discussions at the fisheries and agriculture retreats. The formal convening notice for this meeting will be sent to Members shortly but please kindly pencil this in your calendar.
- 1.36. In the meantime, I urge all Members to continue efforts to build convergence. Let us engage more in frank conversations that lead to solutions acceptable and beneficial to all. Let the WTO be an institution that people can rely on to deliver during difficult times such as these.
- 1.37. I have just been given a note, to say that the agriculture retreat will be on the WTO campus and not in Evian. There has been a strong request that some people may want to have people from their capital to join. I think we make use of the facilities here.
- 1.38. I remain hopeful that with our brilliant Permanent Representatives and delegates in Geneva, and the support of your respective capitals, together, we will find ways to keep improving people's lives.

- 1.39. The representative of the <u>Kingdom of Saudi Arabia</u>, <u>on behalf of the Arab Group</u>, delivered the following statement:
- 1.40. I would like to reiterate the Arab Group full support to the United Arab Emirates' offer for hosting MC13. We consider this generous offer as a clear sign of the UAE's commitment to the multilateral trading system. The achievement of the Geneva Package at MC12 is a laudable milestone. The outcomes achieved are indeed the fruits of our collective efforts, strong commitments and hard work. They demonstrate that WTO Members can come together to find solutions and deliver constructive outcomes for the benefit of their people. In preparing the way forward, we need to be guided by the same faith and sense of responsibility to the Multilateral Trading System. A long list of outcomes is on the table and we need to seize the momentum and continue to work in the same spirit that we have witnessed at MC12. Therefore, we would like to stress that the outcomes of MC12 should be implemented in a way that is satisfactory to all. In these challenging and uncertain times, it is our collective responsibility, indeed our mandate, to continue working together and to speed up the process of the implementation of the Geneva Package particularly, the package on WTO response to emergencies. Having said that, let me now move to highlight the Arab Group general views on certain areas. On the WTO reform, we emphasize that the overall WTO reform should reaffirm the founding principle of the WTO and must be open, transparent, inclusive and considering every Member's concerns. The reform should also promote greater linkages between trade rules and development. We believe that discussions on WTO reform should focus, among other issues, on the current impasse of the Appellate Body, with a view to having a fully and well-functioning dispute settlement system accessible to all Members by 2024. On fisheries subsidies, we are aware that much work ahead of us to implement the Agreement, particularly the need for Members to align their policies at home to implement the Agreement and preparing for further negotiations in Geneva. On agriculture, we stress the paramount importance of agriculture to our economies. We all aware that the issues surrounding agriculture are not easy to reconcile. But we would urge all members to work closely with each other and strive for concrete outcomes at MC13. On accession, we commend the commitment by our Ministers at MC12 to facilitate the conclusion of ongoing accessions, especially for least-developed countries fully in line with the General Council Guidelines on LDC Accessions, and to provide technical assistance, where appropriate, including in the post-accession phase. The Arab Group remains committed to work constructively post MC12 and towards meaningful outcomes in MC13 that would serve the interests of all WTO Members.
- 1.41. The representative of <u>Kazakhstan</u> delivered the following statement:
- 1.42. Let me start by welcoming His Excellency Minister of Commerce of Cameroon Luc Magloire Mbarga Atangana, His Excellency, UAE's Minister of Foreign Trade Thani bin Ahmed Al Zeyoudi, and Her Excellency, Vice-Minister of Mexico Luz Maria de la Mora, and thank them for their statements.
- 1.43. We wish both Cameroon and the United Arab Emirates all the best and success in their bid to host MC13.
- 1.44. Kazakhstan was honoured to chair the 12th Ministerial Conference and co-host this important event with the WTO Secretariat and the Swiss Government. We are grateful for the fruitful cooperation and support from all Members, the GC Chair, and the excellent professional team of the WTO Secretariat, led by DG Dr. Ngozi, for all the support and assistance that we enjoyed in the course of preparations for MC12, despite unprecedented challenges, we all faced due to COVID-19 pandemic as well as during the MC12 itself.
- 1.45. By its commitment undertaken while joining the WTO in 2015, and as a recently acceded Member of the organization, Kazakhstan has always demonstrated its strong commitment to strengthening the multilateral trading system. In this regard, I am pleased today to inform you that President K. Tokayev issued a decision on 28 September 2022 to establish a separate dedicated Permanent Mission of the Republic of Kazakhstan to the WTO. I firmly believe that opening the Permanent Mission to the WTO will allow our country to further enhance its participation and play an active role in the work of the Organization with particular emphasis on the implementation of MC12 decisions, including the WTO reforms, representation of interests of landlocked developing countries and supporting the acceding countries from our region. These will be the major priority issues for our work in the WTO. So, we look forward to continuing our joint work with Members and the Secretariat in the future.

- 1.46. The representative of Australia delivered the following statement:
- 1.47. While we continue to congratulate ourselves on the success of MC12, it is perhaps now time to start focusing on how to implement its outcomes and build towards MC13. I will keep my comments brief, as much of our statement can be read into the record from our statement on 4 October. We recall that we also there made the point that we need early ratification and entry into force of the Fisheries Subsidies Agreement - an Agreement which is so important for our region, the Pacific. Our work here is of great significance to every member, facing significant challenges of increased food insecurity, economic uncertainty and climate change. MC12 was a success, but it was not in agriculture. This failure, the 11th out of 12 WTO Ministerials, indicates that the current system is not working. It is now clear - and it was also one clear conclusion from last month's Cairns Group Retreat -that we need to find a new way forward. I would like to thank the various partners who took up our invitation to participate, including Barbados, Cameroon, China, the EU, Japan, Nigeria and the US. We also want to thank the Director-General for attending, and the OECD Secretary-General, Mathias Cormann, for his contributions. Things cannot stay as they are. We need new ideas. We cannot return to the situation where Members are implacably opposed to each other. Changes are needed in relation to the imperatives for reform, beyond economic and development dimensions. Changes are also required in our negotiating approaches. Many have asked on what the next steps should be. We are currently reflecting on this, but want to take this agenda forward in partnership with the rest of the membership. In this regard, we look forward to contributing to the 24 October retreat being led by the Director-General.
- 1.48. The representative of <u>Samoa</u>, <u>on behalf of the Pacific Group</u>, delivered the following statement:
- 1.49. On fisheries subsidies, the Pacific Group remains committed to continue negotiations building on the partial Agreement on Fisheries Subsidies adopted at MC12. The completion of this outstanding work is important to fully deliver on SDG 14.6. As envisaged in paragraph 4 of the MC12 Ministerial Decision, this negotiation must aim towards a comprehensive agreement including overcapacity and overfishing as well as appropriate and effective special and differential treatment for developing countries with a view to making recommendations to MC13.
- 1.50. We join the DG in urging Members to engage constructively at the upcoming retreat on fisheries to find a way forward on substantive issues to be negotiated and the process for negotiations; let us utilize the retreat to brainstorm for a true and sincere outcome for fisheries.
- 1.51. On development issues, the Pacific Group remains committed to progress this work in line with paragraph 2 of MC12 outcome document. We urge Members to be open minded to address this longstanding issue. Let us be confident and continue the good work that has begun.
- 1.52. The representative of <u>Cameroon</u>, <u>on behalf of the African Group</u>, delivered the following statement:
- 1.53. Since this is our first formal meeting since the demise of H.E. Ambassador Ismael Leopold Samba, Dean of the African Group in Geneva, on behalf of the African Community in Geneva and late Ambassador Samba's family, I would like to express our heartfelt gratitude for all your condolence messages and support during those difficult moments.
- 1.54. Coming back to our order of business, the African Group takes note of the report by the Chairperson of the Trade Negotiations Committee. We also thank you, Chair, for your report, and we take note of all the important points you have raised this morning. We would like to recall our statement delivered on 7 July 2022 and we request that the statement should be reflected under agenda item 1 of this meeting.⁴
- 1.55. In addition, considering the reports presented to us this morning, the African Group would like to place an urgent call to all Members to implement the Decisions taken by all our Ministers, in this same room, barely three months ago.

⁴ The statement is contained in WT/GC/M/200, page 96-97, and is incorporated by reference in the records of this meeting.

- 1.56. Although we have a deadline to decide on the extension of the MC12 Decision to cover the production and supply of COVID-19 diagnostics and therapeutics, by the end of November 2022, it is regrettable that Members are not engaging in good faith in the discussions taking place in the Council for TRIPS.
- 1.57. On agriculture, we welcome the General Council's efforts to fill up the vacant position in the CoA-SS as a matter of urgency. Our Group will continue to stress the vital importance of the agricultural sector in our economies. An outcome on public stockholding for food security purposes, domestic support, Special Safeguard Mechanism (SSM), and cotton at MC13 must be a priority in this Organization.
- 1.58. The Group welcomes the DG's call for a retreat on fisheries subsidies on 10 October 2022. We are of the view that work relating to overcapacity and overfishing should start without delay. This also necessitates that we elect a new Chairperson for the Negotiating Group on Rules without delay.
- 1.59. Let me close by reiterating our strong importance to the Development file in the WTO. We would like to stress that an outcome in this area will be crucial as we prepare for MC13. We, therefore, call on the DG, as Chairperson of the Trade Negotiations Committee to facilitate the constructive engagement of all Members in the CTD-SS, to move this file forward.
- 1.60. The representative of the European Union delivered the following statement:
- 1.61. I will not repeat the points I made on 4 October, but will only highlight some more salient points. We need to ensure that the Agreement on Fisheries Subsidies enters into force soon. The European Union has started its internal procedure for the adoption of the agreement. We hope that other WTO Members will do likewise. Secondly, we support the establishment of the trust fund for technical assistance and capacity building on fisheries. We encourage other Members to join us and make this work. Thirdly, we need to follow up on the MC12 Ministerial Decision and complete the agreement with the missing elements in line with SDG 14.6. In this respect, I look forward to the upcoming retreat and to the exchanges we will have on Monday. On agriculture, we need a new approach in the negotiations, which would move the membership away from the stalled discussions, and on the other hand integrate pressing issues related to food security, poverty, climate, and environment and last but not least sustainable production. The European Union sees merit in continuing the work on improving transparency in agriculture. Transparency is a cornerstone of the current discussions on food security. The European Union also remains engaged in the implementation of the MC12 declaration on the response to food insecurity, which we see as an important test for the membership in keeping the momentum created by MC12 and building positively on the outcomes of the Ministerial.
- 1.62. On development, the European Union considers that it remains as a main challenge for the WTO. There is a need to identify ways in which WTO can support efforts of those countries facing particular difficulties on integrating into the global trading system. There should be a forward-looking discussion that looks into current challenges, such as support for a smooth transition in the case of LDC graduation, or support for regional integration among developing countries, and especially the least-developed ones. The African Continental Free Trade Area is a case in point. The European Union is ready to engage constructively in discussions on how to reinforce the role of the Committee on Trade and Development as a forum for deliberations; as well as in the forthcoming consultations foreseen by the Committee on Trade and Development Special Session, which the Chair is carrying out. The European Union remains committed to supporting the multilateral trading system - also because we believe a rules-based international order best serves the interest of all countries, including the smaller and more vulnerable ones. This is why the European Union firmly and unequivocally condemns Russia's continued aggression in Ukraine, and in particular last week's illegal annexation of territory that does not belong to Russia, in the Donetsk, Luhansk, Zaporizhzhia and Kherson Oblasts. As on other continents, across Europe, people are feeling the consequences of Russia's war. But we reiterate that the European Union firmly stands with Ukraine and will continue to provide all support necessary for as long as it takes.
- 1.63. The representative of the <u>United Kingdom</u> delivered the following statement:
- 1.64. Let me echo my Australian colleague's comments by thanking you for your message of condolence and that of the DG on the death of her late Majesty, Queen Elizabeth II, and let me

thank my colleagues, around this room so many of whom came to sign our condolence book during our days of national mourning. We were very touched by the outpouring of sympathy across the world, not just in the realms and Commonwealth, but beyond that as well, so thank you, each and every one of you, who's expressed their condolences, personally or officially. Let me echo your comments, and those of so many others about our dearly departed friend and colleague, Ambassador Samba, a man who I was privileged to call a friend and whose wisdom and wit will be long remembered in this building and across Geneva. He will genuinely be greatly missed.

- 1.65. DG, I could not agree with you more that the future of trade is services, it's digital, it's green it's inclusive. That is what we should all be aspiring to in this Organization and therefore I also agree with you that it was great to feel the buzz in this building during the Public Forum. We were delighted to have so many British businesses and British civil society here, representing hundreds and thousands of firms and of employees and workers across the British economy. They were here because the WTO matters to them and the future of trade matters to them, and I only wish that our engagement, as you said, with business and civil society was not once a year however great an event it is, however well organized it was by the Secretariat. I would like to see, I think as you suggested, more of that engagement to inform our work here. To hear those voices from the frontline of business and civil society about how we can make a difference to their firms, their employees as they try and grow their businesses.
- 1.66. If I may take my UK hat off for a second. Of course, a lot of that buzz last week were around issues of sustainability and the environment as you suggested. So, I am very much looking forward, with my other sustainable hat on, as Chair of the CTE, to the Environment Week and I hope we can continue again to hear voices of those outside these rooms and bring in their ideas, their energy into our work inside this Organization.
- 1.67. Let me just say, picking up the comments by others, about the Fisheries Subsidies Agreement it is so important that we build on this success from MC12, on our first environmental agreement but we have to make it a reality now and get that ratification process underway.
- 1.68. I am delighted too that we are having the retreats that you have mentioned, and I think it is really important, in the location you just announced of the agriculture retreat, that those retreats too are inclusive. That we ensure, in the manner that we hold them, that as many Members as possible can participate and we hear those voices from delegations large and small, developed and developing, as we work to build on MC12.
- 1.69. Last, but not least to echo the comments from our European colleagues. It was in this General Council back in February, that we learnt of the start of the Russian war of aggression against Ukraine. I said then, and I say now, that it was a floating of international law, of the very rules and assumptions that we have made in this Organization and across the multilateral system for decades and that floating of international law was no more palpable than in last week's purported annexation of 90,000km of the sovereign territory of a Member of this organization. We will not accept that, and we will stand with the people and government of Ukraine for however long it takes to ensure that their country is liberated. But we have an important role here in all of this you have hinted, DG, this morning to the role that we can and should play in ensuring that the effects of Russia's aggression against Ukraine are not felt by those in the developing world suffering from the food crisis. At the heart of that, has to be to resist the temptation, an easy one for us all, to add additional export restrictions that only make this crisis worse. The answer is trade and an end to the war.
- 1.70. The representative of <u>Japan</u> delivered the following statement:
- 1.71. I would like to make report on behalf of the co-convenors of E-Commerce JSI negotiation at this juncture. This statement is made on behalf of Australia, Japan and Singapore. After the previous report which was made in July, co-convenors held plenary meetings and small group meetings in hybrid style from 12 to 15 September. During this four-days period, we had plenary meetings, small group meetings, as well as information sessions for several text proposals. We saw good convergence for some of the texts, including Electronic Transaction Framework and Cybersecurity during this period, and we hope that we could come close to the emerging consensus for these texts in the next cluster meetings. On Open Internet Access, which is one of the very important provisions in the possible agreement, while there has been a high degree of support for the landing zone in the small group, one Member continue having reservations about one element of the text. Therefore,

the facilitator and co-conveners will continue bilateral consultation with that Member instead of holding further meetings of this small group. We also recognize Members' request for discussing horizontal issues, including development-related issues, legal architecture and general provisions. Co-conveners well noted such request and will address these issues in coming cluster meetings. We will hold meetings with this intensive modality on a regular basis, hopefully with greater participation from capitals, in order to achieve further progress of this negotiation this year. We would like to thank all participants for their hard work and look forward to making further good progress this year.

- 1.72. Lastly, I would like to come back to our national position. I would like to register one thing following up on the European Union and the United Kingdom, that is, the recent announcement of the 'incorporation' of four states in Ukraine by the Russian Federation. Such acts in the areas that have been forcibly put under Russia's temporary control by Russia's aggression are nothing but attempts to acquire territory by force and go against international law, including the United Nations Charter. Such attempts are invalid and go diametrically against the principle of the rule of law in the international community. Japan strongly urges Russia once again to stop the aggression and withdraw its forces from the territory of Ukraine within its internationally recognized borders immediately. Japan will also continue to work firmly on the two pillars of imposing strong sanctions against Russia and supporting Ukraine, in cooperation with the international community.
- 1.73. The representative of Qatar delivered the following statement:
- 1.74. At the outset, I would like to bid farewell to the Permanent Representatives who will be leaving their post in Geneva and welcome new colleagues. I'd like also to warmly welcome H.E. Dr. Thani bin Ahmed Al Zeyoudi, Minister of State for Foreign Trade in the UAE. We appreciate and support the proposal of the UAE for hosting the WTO's 13th Ministerial Conference. We align ourselves with the Arab Group in supporting the UAE's offer for hosting MC13.
- 1.75. Our warm welcoming also to H.E. Luc Magloire Mbarga Atangana, Minister of Trade of Cameroon, and H.E. Luz María de la Mora Sánchez, Vice Minister of Trade of Mexico. On other hand, allow me also to express my own and my delegation's deep condolences on the passing of Her Royal Highness, Her Late Majesty, Queen Elizabeth II, to the delegation of the United Kingdom, and through the delegation, to the people and the Government of the UK. I should also express the sincere sympathy and deep condolences to the delegation of the Central African Republic, on the passing of H.E. Ambassador Léopold-Ismaël Samba, who was a highly valued member of the international trade community.
- 1.76. The State of Qatar looks very positively to the encouraging outcomes of the 12th Ministerial Conference and subsequent developments. This proves that the WTO is still relevant and at the heart of the global trading system. We were pleased to see long-waited results on fisheries subsidies, trade and health, and food security coming true and welcome the work undertaken since MC12 to implement the decisions taken then.
- 1.77. Maintaining an effective and operational Organization is in the interest of all Members. This is why we are joining other Members in addressing key challenges before us including the paralysis of the Appellate Body, the reform of the Organization and reactivating its negotiation function. We need to keep our focus on maintaining predictable and enforceable disciplines regarding all aspects of international trade, and preserve the WTO as a forum to effectively negotiate rules on issues that are relevant in the 21st century.
- 1.78. Qatar would like to see trade and the global trading system fulfilling the objectives enshrined in the Marrakesh Agreement to raise standards of living for the global communities. Development must be at the heart of all our discussions as trade must be a tool for and an engine of sustainable development.
- 1.79. We welcome the positive developments that have taken place on the Joint Statement Initiatives, and we are actively supporting many new initiatives such as E-commerce, MSMEs, and investment for development. We look forwarding to finalizing the respective agreements as soon as possible. As for the moratorium on E-commerce, we see more benefits than disadvantages in keeping the current practice of not imposing duties on electronic transmissions.

- 1.80. Furthermore, we are still committed to a successful conclusion of the Doha Development Agenda despite the impasse faced collectively. Since the launch of the current round of negotiations back in 2001, in the capital of my country, Doha, Qatar has always believed in multilateralism and global cooperation. Qatar is still ready to provide every possible support it can in order to facilitate discussion and bring different views closer. In this context, we are honoured to express the warmest welcoming messages for all people coming from all over the world to participate in the FIFA World Cup 2022. Qatar has a strong belief in the potential of sports to bring people together. Sports unites people and assists in fostering greater understanding of our cultures, and in promoting universal values of respect and friendship. It spurs economic development and has been demonstrated to boost international trade and to reduce trade costs. The FIFA 2022 World Cup in Qatar creates a common sense of trust and respect, and thus furthers economic development and trade in the region. We welcome the recent signing of a Memorandum of Understanding between the WTO and FIFA to review how international trade and mega sports events like FIFA can serve as catalysts for economic growth, regional and international economic cooperation and social inclusion, in particular within least-developed country Members.
- 1.81. The COVID-19 pandemic has forced us to cope with the unprecedented disruptions to the global economy and supply chain shortages. This recent crisis has revealed that global cooperation is the adequate response.
- 1.82. We were encouraged by the Agreement on Fisheries Subsidies. We call on Members to actively work on its ratification and implementation. We would like to highlight here, once again, the environmental, economic and humanitarian importance of the agreement reached. We cannot overlook the alarming decrease in global fish stocks in recent decades and the overall negative impact of fisheries subsidies. We now need to prove that the WTO can deliver, particularly in areas of already agreed UN Sustainable Development Goals.
- 1.83. Concerning the Appellate Body, Qatar supports frank and open discussions with a view to breaking the stalemate. The WTO cannot afford to have a non-fully operational dispute settlement system. The WTO is a rules-based organization. It is essential that Members be able to enforce their rights and that all open trade disputes be settled. We stand ready to support Members in any efforts aiming to address the above-mentioned challenges. Qatar intends to continue to support a solution-driven approach and will take an active part in future exchanges.
- 1.84. The representative of Nigeria delivered the following statement:
- 1.85. At the outset, we associate ourselves with the statement by Cameroon on behalf of the African Group. We would also like to join the Chair of the General Council and the Director-General to express our heartfelt condolences to the United Kingdom on the passing of Her Majesty the Queen. We indeed share the sorrow and pain of her death. We pray for her soul to rest in peace. We equally wish to express our deepest heartfelt condolences on the passing of our brother, a leader Ambassador Samba. I personally worked with him on many issues that yield positive results in the WTO and I learnt a lot from him being one of the oldest Ambassadors in this Organization. His leadership skill as a dean of the African Group has been excellent and we pray for his soul to rest in peace.
- 1.86. It is touching that some Ambassadors whom we have been working together on many issues and have contributed a lot in supporting the WTO towards some significant achievement especially at MC12 are leaving. We wish them farewell and the best in their future endeavour. We as well welcome the new Ambassadors and are looking forward to working with them.
- 1.87. We thank the Director-General for her report and appreciate every bit of the updates and call to expedite action on various issues such as ratification of Fisheries Subsidies Agreement, WTO reform, Work Programme on Ecommerce, TRIPS, and so on. We are assuring o our delegation's commitments to fully engage in ensuring the conclusion of all other outstanding issues and implementation of the MC12 Decisions, so that MC13 will as well be fruitful.
- 1.88. In the interim, we need to see a total commitment and full engagement by Members on agriculture. This time we need to have a fruitful outcome in agriculture, in particular, in addition to food security. We need to see the ratification and depositing of instrument at the WTO as early concluded on fisheries subsidies. We need to see action on WTO reform, especially on DSU and other

most relevant issues. We need to see an inherence to the implementation of paragraph 8 of the MC12 decision on TRIPS waiver. We also need to see a total implementation of the Decision on Food Security. With determination and commitment all the above can be achieved.

- 1.89. The representative of the Republic of Korea delivered the following statement:
- 1.90. I would like to welcome new Ambassadors and to express farewell to departing colleagues and wish everyone the best in their future endeavours. I would also like to express deepest condolences for the passing of the H.M. Queen Elizabeth II, and also on the passing of Ambassador Samba, who will be thoroughly missed.
- 1.91. For the item at hand, I thank the Director-Genera for the report. On fisheries subsidies, all Members should expedite their internal ratification process for the Agreement to swiftly enter into force. Like other Members, Korea will spare no effort to finalize procedures in a timely manner.
- 1.92. Further, we need to move forward our negotiation on the outstanding issues. In this vein, Korea welcomes the opportune forthcoming retreat to shape the second wave of the negotiations. We hope all Members engage with utmost creativity and flexibility in dealing with a long repeated but important issue.
- 1.93. Turning now to agriculture, Korea supports holding a Members retreat later in October for brainstorming discussions on how to regalvanise the agricultural negotiations. From Korea's perspective, as the Director-General Dr. Ngozi had pointed out at the Public Forum last week and today, addressing food insecurity and finding ways to provide for the world's poorest populations should be among high short-term priorities for the WTO. In addition, Korea would like to underline the importance of expediting the process of filling the vacancies in chairmanships and looks forward to new leadership and vision that would lead us in the best direction.
- 1.94. Since I have the floor, I would like to briefly mention updates on Investment Facilitation for Development, which I have the privilege to co-coordinate with Ambassador Sofia BOZA from Chile. As you know, over 110 Members, representing two-thirds of the WTO Membership, currently participate in this open-ended and pro-multilateral Joint Initiative. I would like to focus my report on the outcome of our informal bilateral consultations with interested delegations held at the beginning of September and the last IFD meetings that took place on 19-21 September 2022: First, participants reiterated their commitment to finish the text negotiations by the end of this year, as foreseen in the 2021 December's Joint Statement. The importance of achieving a good quality Agreement was also underlined by participants. Second, a new revision of the "Easter Text" (revision 7) reflecting the significant progress achieved since February was circulated to all Members on 7 September 2022. This seventh revisions includes new landing zones on key issues, notably, the Most-favoured Nation (MFN) provision and the exclusions on government procurement and certain subsidies from the scope of the Agreement, following a written procedure. Albeit it is not yet finally agreed text, the "Easter Text" includes stabilized text for most sections of the future IFD Agreement. This includes Section II on "Transparency of investment measures"; Section III on "Streamlining and speeding up administrative procedures"; Section IV on "Focal points, domestic regulatory coherence and cross-border cooperation"; as well as Section V on "Special and Differential Treatment" drawing from the Trade Facilitation Agreement's approach. Third, participants continue engaging with a sense of purpose and willingness to compromise in order to advance on remaining issues. In this regard, participants have identified some issues, notably scope and definitions, as key priority areas. A Discussion Group focused on "Possible definitions" facilitated by Guatemala is working hard to find possible landing zones. Besides, work in between meetings has resulted in the submission of some streamlined revised proposals. We hope these positive dynamics will continue in the future and allow to narrow the gaps.
- 1.95. In parallel to the IFD negotiations, participants in the Joint Initiative have assigned high importance to needs assessments with the aim of helping developing and LDC Members implement the future IFD Agreement. The preparation of a Self-Assessment Guide, coordinated by the WTO Secretariat in cooperation with partner international organizations, is well underway. The aim would be to start with the needs assessments later this year or early next year. The IFD initiative is at a decisive stage. The upcoming months will be key to generate the necessary political momentum to achieve participants' aspiration of concluding the text negotiation by the end of this year. Mindful that this initiative is "pro-multilateral", participating Members will continue their outreach efforts. All

WTO Members are welcome to participate in the negotiations to help co-shape the future IFD Agreement. Ambassador Boza and I stand ready to engage with Members on any issue they may wish to discuss.

- 1.96. The representative of the <u>United States</u> delivered the following statement:
- 1.97. First let me start by expressing our condolences to the Mission of the Central African Republic on the passing of Ambassador Samba; and to the United Kingdom and the Commonwealth countries on the passing of Queen Elizabeth II.
- 1.98. I welcome new Ambassadors and look forward to working with all of you and extend good wishes to those who are moving on. I also want to welcome Kazakhstan's announcement that they will be having a WTO specific Mission we will look forward to working with them.
- 1.99. Let me offer some reactions to the DG's presentation which had a lot of interesting ideas in it. First, we support the idea of regularising our interactions with stakeholders. Not just interactions for review, but I think that some of us have been discussing, as part of the reform, ways that we can regularize stakeholder interactions with the membership. I did participate in some of the panels at the Public Forum last week, and I did find that there are good ideas out there. There is a lot of good information that we can all derive, and while the Public Forum is a regular feature of the WTO, I think that we should be looking at other ways of regularising these interactions. So, we would welcome a conversation on that at any time. I know there are other delegations that are likewise interested on this issue.
- 1.100. With respect to the report that you mentioned on the implementation of the Declaration on Food Insecurity, first of all, just to highlight that the United States remains one of the world's largest agricultural exporters. We have continued to maintain open markets to facilitate access to goods that are critical to global food security and thereby benefiting consumers, farmers and industry worldwide. The US Government also has been spending a lot of resources through other means in assisting countries with respect to food security issues, and we have a compilation of all that. We will be providing that to the membership and to you DG and hopefully that can be useful with respect to this report.
- 1.101. I am happy to hear that the retreat on Agriculture will be held here. I think that is a welcome announcement. I know there is another item in our agenda on WTO reform and I know that the General Council Chair has been thinking about doing some brainstorming sessions here in Geneva and welcome those if you are to do things here, we do not have to factor in going to other places.
- 1.102. Finally, the United States continues to condemn Russia's unwarranted and illegal war of aggression against Ukraine. We reject the purported annexations of Ukraine and territory by force. Russia's actions contravene the principles and values of the WTO respect for WTO Members' sovereignty is crucial to maintaining open and predictable markets and facilitating international trade.
- 1.103. The representative of <u>Peru</u> delivered the following statement:
- 1.104. We would like to thank you and the Director-General for your reports and introductory statement. We would like to welcome new Permanent Representatives and would also like to take this opportunity to wish those who are leaving Geneva every success in their future endeavours.
- 1.105. As other delegations have said, we would like to express our solidarity with the United Kingdom and the Commonwealth following the death of H.M. Queen Elizabeth II. We would also extend condolences to the family of our colleague Ambassador Samba.
- 1.106. We join Australia's statement on the problems we face with respect to agriculture. We need trade, transparency and new negotiating modalities. That is the only way we are going to be able to move forward and find a way of breaking the deadlock in which we find ourselves. We would like to urge Members to fill the vacant Chairs because we do not have much time before the next Ministerial. We are all well aware of how complex agriculture negotiations are.

- 1.107. With respect to fisheries subsidies and our MC12 achievements, I would say that we really need to have the Agreement ratified properly. It needs to come into force and its disciplines respected. That will mean that our Fisheries Agreement will have a major impact on the sustainability of our marine resources. It will also help us with the next stage of our negotiations. Peru has already launched those domestic ratifications proceedings. We hope finally that the retreats to be held soon, will help us to guide our negotiations on fisheries and agriculture. We hope that very soon in the new year, we will be able to get going in the course of what will be a ministerial year.
- 1.108. As was said at the Informal General Council meeting, we will not reiterate our whole points but we do agree with you that there should be a special session on this as well as considering a retreat in October.
- 1.109. Now on procedural matters, it is our understanding that the Secretariat is finding some difficulties in actually compiling proposals because there is a lack of clarity with respect to what is still relevant in the light of the deadlines ahead of us. So, we would urge those who have made previous submissions on WTO reform, update them and ensure that we have an updated set of considerations because that will enable us to have a proper context for our conversations rather than reiterating previous discussions.
- 1.110. The representative of <u>Chile</u> delivered the following statement:
- 1.111. We would like to point out that in the Informal General Council Meeting of 4 October, my delegation presented Chile's position on the issues of WTO reform and the Work Programme on Electronic Commerce. I would also like to speak briefly about other processes resulting from MC12. First, I would like to mention the retreat on Fisheries next week. For Chile, it is important to keep up the momentum of the post -MC12 negotiations and we hope that delegates participate in a spirit of pragmatism, bearing in mind the lessons learned during the Conference. We believe that the future of the negotiations requires us to have a clear and predictable work process that allows coordination with our capitals, which now have to cope with the procedures for the entry into force of the Agreement and support the negotiation of outstanding issues. Regarding negotiations on the extension of the TRIPS waiver to cover diagnostics and therapeutics, we would like to thank the Chair of the TRIPS Council for his efforts and for the work schedule circulated recently. We hope that the process and discussions will enable us to reach a consensus in December this year. As for agriculture, we appreciate the efforts of the Director-General and the Secretariat to hold a productive retreat at the end of this month. We understand that giving new impetus to negotiations on agriculture is a major challenge and we need the commitment of all Members to engage in dialogue with flexibility and a creative spirit. Old formulas must be renewed, and we believe it is important for us within this Organization to think about how to incorporate new elements to respond to the challenges affecting agriculture in the 21st century. There is a call for "outside the box" thinking, and Chile is willing to collaborate on this in a constructive manner. Lastly, we congratulate the Director General – and through her, the Secretariat – for successfully organizing the Public Forum. The robust programme of sessions illustrated the importance of the work being carried out in areas such as inclusiveness and sustainable development.
- 1.112. The representative of Nicaragua delivered the following statement:
- 1.113. Nicaragua appreciates the report submitted by the Director General as Chair of the Trade Negotiations Committee. We would like to take this opportunity to encourage Members to move forward in negotiations, for the benefit of all, recognizing the asymmetries in levels of development and strengthening Special and Differential Treatment.
- 1.114. In addition, we welcome the bid by the United Arab Emirates to host this Organization's 13th Ministerial Conference. We support this bid with the expectation of achieving solid outcomes that serve Members' development objectives and the interests of enterprises, particularly SMEs and people engaged in international trade.
- 1.115. We urge Members to refrain from using these discussions to share judgemental messages that are unrelated to the trade agreements and negotiating mandates of this Organization. We also call for the reconsideration of the unilateral coercive measures that are restricting trade, disrupting supply chains and primarily hurting least-developed Members, who have been affected by the rise

in food and fertilizer prices. We ask that our statement delivered at the Informal General Council meeting on 4 October 2022 be placed on the record.

- 1.116. The representative of <u>Iceland</u> delivered the following statement:
- 1.117. First allow me as one of the co-chairs of the Informal Working Group on Trade and Gender, to report briefly on the work that is taking place in the Informal Working Group post MC12. Let me start by recall the twofold outcome of MC12 on gender: First, paragraph 13 in the MC12 Outcome document (WT/MIN(22)/24 WT/L/1135) recognising the importance of women's economic empowerment and the work of the WTO on this issue, at the multilateral level. Second, the joint Statement on Inclusive Trade and Gender Equality from the Co-Chairs of the Informal Working Group on Trade and Gender (WT/MIN(22)/7).
- 1.118. Some key milestones have already been achieved since 2017 and the work is now intensifying with dedicated discussions on trade, gender, and the private sector, which took place yesterday, and on gender disaggregated data collection in trade. Further discussions will be held in October and November this year focusing on how to apply the gender lens to WTO and on the work currently carried out jointly by the EU and ITC on a gender-lens framework on trade facilitation, ecommerce, government procurement and investment facilitation.
- 1.119. The last meeting of the Informal Working Group this year is schedule to take place late November. In the year to come, the Informal Working Group will focus on elaborating a work programme or plan including concrete action points, to be adopted at MC13. Before I conclude my report, I would like to mention the World Trade Congress on Gender to be held at the WTO on 5-7 December under the theme "Gender Equality for Sustainable Trade and Recovery". The event, organized by the WTO Gender Research Hub and the WTO Trade and Gender Unit, is the first international research conference on trade and gender and is fully supported by the members of the Informal Working Group.
- 1.120. Speaking on behalf of Iceland, let me first just encourage Members yet to do to join the Informal Working Group on Trade and Gender. The important progress made in the Fisheries negotiations at MC12 demonstrated the ability of this Organization to deliver tangible results. It is, however, important to spare no time and continue negotiations on harmful fisheries subsidies that are still out of scope of the Agreement. We therefore welcome the retreat planned by the Director-General that will take place next week. Adequate support for the least-developed Members to implement the disciplines already agreed is also important. To that end, Iceland once again reiterates its support for the establishment of a Fisheries Funding Mechanism.
- 1.121. With regard to the agriculture negotiations, the outcomes of MC12 were lacking. We have in fact not seen substantial progress on this file for many years, and we acknowledge that new approaches are needed. Iceland will support efforts to advance this discussion on a multilateral basis taking into account the interests of all members. Needless to say, we must agree on competent Chairs for these processes before long.
- 1.122. Finally, me join others in condemning in the strongest possible terms the ongoing illegal invasion of Russia in Ukraine. Recent attempts by the Russian occupying forces to annex Ukrainian territory is a violation of international law, including the UN Charter. We once again call on Russia to cease its aggression and remove its forces from internationally recognized Ukrainian territory.
- 1.123. The representative of Senegal delivered the following statement:
- 1.124. We would like to associate ourselves with the statement made by Cameroon on behalf of the African Group. We would like to wish Cameroon every success in their bid to host MC13. We thank the WTO Director-General for her report. We would also like to join those who have expressed condolences to the United Kingdom and the Commonwealth as well as the family of Ambassador Samba. We would also like to endorse the statements made by the authorities of the United Arab Emirates, Mexico and Cameroon. We would like to take this opportunity to wish those leaving us every success in future endeavours.

- 1.125. We would like to join the DG of the WTO in the appeal to Members to act quickly with respect to the recently adopted texts on food security, particularly paragraphs 3 to 5 on export restrictions imposed on basic food stuffs. Such restrictions adversely affect food security in those countries that are either developing countries or NFIDC. This makes a serious contribution to the increase in the cost of living, in particularly in LDCs.
- 1.126. The representative of <u>Pakistan</u> delivered the following statement:
- 1.127. Pakistan is one of the founding Members of this multilateral organization and remains a strong supporter of necessary reform of the WTO to overcome its shortcomings and enhance its relevance regarding the current and very obvious global challenges, namely, the global health crisis, climate change and the collective global economic crisis and the evolving individual country crises. Pakistan is hit quite hard by all three. We are open to ideas and efforts to reform the WTO. But we must keep in mind that to be relevant and effective any multilateral organization will have to find ways of responding rapidly to emerging global crises and Members need to act cooperatively rather than stick to ideological positions. This organization needs to find ways of delivering equally for all its Members, especially in the area of development and resilience to multifaceted crises that will increasingly confront us; providing Members' economies the ability to spring back rapidly from various disruptions. This requires relatively strong and diverse economies. Instead of reinventing the wheel, the reform process needs to address imbalances in the current system, as a starting point. In this regard, Pakistan would invite attention of the membership to the document WT/GC/W/778/Rev.5 submitted by the African Group, Cuba, India, and Pakistan.
- 1.128. Pakistan remains open to the ideas on process, scope and structure of reforms in a way that they do not compromise the cardinal principles of non-discrimination, inclusivity, transparency, and consensus-driven decision making as enshrined in the Marrakesh Agreement. Ideally, the reform must not complicate development of the global South which represents more than three quarters of the global population. As for reforms in the Dispute Settlement mechanism of the WTO, Pakistan is open to discussing new ideas and has engaged constructively with Members. Pakistan is of the view that the two-tier mechanism may be kept intact. We believe that the reform agenda of DSU can function simultaneously with an operational appellate body. The reforms at the WTO should not function in a way so as to weaken the fundamentals of its existence. Lastly, Pakistan welcomes WTO's increased sensitivity on several issues of the global commons related issues with trade is heartening. Nevertheless, these initiatives need to also envelope the issues faced by the developing Members and their inability owing to certain WTO rules to effectively address unprecedented economic shocks from climate driven disasters, pandemics, among others.
- 1.129. The representative of <u>Indonesia</u> delivered the following statement:
- 1.130. Allow me to express my deep condolence to colleague of United Kingdom and the Central African Republic, and I would like to join others in welcoming our new Ambassadors in Geneva and to bid farewell to outgoing Ambassadors and wishing them all the best in their future endeavours.
- 1.131. Thank you, Madam Director-General, for the update and the report as the Chair of the TNC. I will be brief as I will address the substantive issues at the appropriate Agenda items later today. At this point Indonesia would like to share its views that it is important that we continue the mechanism under the TNC as mandated by the Doha. We should not allow to continue the stalemate on the mandated issues under the TNC, but rather we have to expeditiously work to advance and complete our homework. It is our hope that on the next TNC session, we will be able to take note greater progress following the Agriculture and Fisheries retreats. Rest assured that Indonesia will actively engage in both retreats with an open mind and, more importantly, open ears.
- 1.132. The representative of <u>South Africa</u> delivered the following statement:
- 1.133. We welcome the announcement of the date of the TNC by the Director-General and we look forward to engaging in that meeting. We believe that the TNC remains important as the platform to advance the developmental agenda under the DDA and to supervise the overall conduct of the negotiations. Further, we welcome the convening of the CTD SS by the Chair towards the implementation of the MC12 outcomes and mandate on S&DT. Ministers have instructed us to continue to work on improving the application of S&DT and to report progress to the General Council before the next Ministerial Conference. Towards achieving this objective, the G-90 has submitted

document RD/TN/CTD/1 that outlines the need to deliver on the long outstanding mandate on S&DT to regular engagements and structured discussions in fulfilment of the mandate in Paragraph 2 of the Ministerial Decision. On Agriculture, we note the importance of these negotiations, and this cannot be overstated. It is important to come up with a food security and livelihoods package towards MC13. We look forward to engaging on fisheries negotiations in the retreat and hope to make progress.

- 1.134. The representative of <u>Botswana</u> delivered the following statement:
- 1.135. Botswana aligns with the statements delivered on behalf of the African Group by the delegation of Cameroon. I join other colleagues in offering our condolences to the UK government on the death of Her later Majesty Queen Elizabeth II. Our condolences also go to the Government of the Central African Republic on the loss of Ambassador Leopold Samba, whose warm personality, wisdom and guidance we shall sorely miss as dean of our African group. I also take this opportunity to bid farewell to colleague Ambassadors who are leaving their posts and warmly welcome those who have taken up their duties here in Geneva.
- 1.136. I wish to take this opportunity to thank you for your introductory remarks, and the Director-General for her comprehensive report. I reiterate my delegation's commitment and readiness to engage on the work towards implementation of the MC12 outcomes and on the outstanding issues in preparation for the MC13. This includes the need for us to expedite national processes of acceptance or ratification of the Fisheries Agreement, and appointment of chairpersons to the important committees to which you referred.
- 1.137. The representative of <u>Tanzania</u> delivered the following statement:
- 1.138. We would like to send our condolences to the delegation of UK and Central African Republic. On behalf of my delegation, I would like to start by expressing our appreciation for the consultations you have undertaken and your report on WTO reforms.
- 1.139. Reforms are critically important for any organization to evolve and adapt to the everchanging social and economic dynamics. The United Republic of Tanzania has already expressed its willingness to support the process it was expressed by my Minister during MC12 in June 2022. We understand it is not going to an easy process due to diversity of level of development which informs our interest and priority issues. I want to be clear to the General Council that our diversity will not hinder us going forward only if the difference of our level of development will be recognized and embraced as unifying factors in making right reform choices.
- 1.140. The preliminary instructions for my delegation drawn from the statement of our Minister's issued in June during MC12, is that the United Republic of Tanzania will support a reform that ensures balanced interest of all Members, that secures development at the core function of the organization. We want WTO to remain focuses to achieve the broad objective of raising global living standards and employment and promoting sustainable development as enshrined in the Marrakesh Agreement Establishing it.
- 1.141. We would like to see the reform process to be Member-driven, inclusive, and transparent throughout. Some of the elements which we would like to preserve, as we have mentioned several times, include the consensus approach. It is not that my delegation is fearing voting, however we see that wining a decision by majority vote will never guarantee implementation of such decisions. The reform should also preserve the multilateralism nature of this organization.
- 1.142. Reform should reinforce that Members continue to cooperate in resolving multilateral trade challenges of our time than rather than embracing a punitive approach. The competitive approach has led to unsustainable exploitation of resource and unfairness and exploitation disrupting the very concept of sustainable development. In closing, my delegation aligns itself to the statement delivered by Djibouti on behalf of the LDCs Group, Cameroon on behalf of the African Group and Kenya on behalf of the ACP Group.

- 1.143. The representative of India delivered the following statement:
- 1.144. I welcome the Director-General's decision to convene the TNC meeting on 30 November. We look forward to the deliberations in that meeting. I will not take much time. On Agriculture, we will speak under the agenda item 7 on decisions regarding Bali, Nairobi and Buenos Aires. However, on fish, I would like to make two quick points, which we have said in the past meeting also, namely to have a quick legal scrubbing to accelerate ratification process and de-link the technical assistance and capacity building clause in Article 7, so that it gets going without waiting for entry into force.
- 1.145. The General Council <u>took note</u> of the report by the Director-General, of the Chair's statement and of the other statements.

2 IMPLEMENTATION MATTERS FROM MC12

2.1 WTO Reform – Statement by the Chair

2.2 Work Programme on Electronic Commerce - Statement by the Chair

- 2.1. The Chair delivered the following statement⁵:
- 2.2. As you know, at the Informal GC meeting on Tuesday, I reported on my consultations on WTO Reform and on the E-Commerce Work Programme and Moratorium. My report is circulated in JOB/GC/318. I thank all 31 delegations that intervened in the discussions. At the end of the meeting, I noted that, my general impression was that an approach to the work in these two areas is shaping up and requested Members to reflect further on my report and my suggestions, and what they had heard from other delegations. Let me briefly recap some of what I said starting with WTO Reform.
- 2.3. It is evident that Members are committed to ensuring a successful WTO Reform process. At the same time, as reform means different things to different people, some structure and a common understanding at least on the way forward is key. To organize this process, I put forward some recommendations. These are the following:
- 2.4. First, to begin with, it would be helpful to provide space in the General Council to collectively explore the various reform issues.
- 2.5. In parallel with the formal and informal conversations we will have at the General Council, each Subsidiary Body should be tasked to see what has been done and explore ways on how to improve their daily functioning and better deliver on their respective mandates. I would also encourage Subsidiary Bodies that have already started such discussions to continue to do so.
- 2.6. To keep all Members abreast of the discussions, Subsidiary Bodies should report to the General Council, as appropriate. To facilitate this work, I will coordinate with the Director-General and the Subsidiary Body Chairs.
- 2.7. On certain cross-cutting, politically sensitive issues important for many Members, the General Council should create a space for deliberations. But to ensure productive discussions, all Members should reach out to each other first particularly those with different views.
- 2.8. To set a collective vision on how to proceed with WTO Reform and identify cross-cutting issues, I will organize an informal conversation among Members, under the auspices of the General Council, at the end of October or at the beginning of November. This will be done within the WTO premises and be open to all Members. I will develop a programme and structure for this event that will promote an interactive and serene dialogue.
- 2.9. On dispute settlement, we should allow some time to see how current discussions among Members unfolds and then take stock. The DSB Chair and I will coordinate with delegations, keep ourselves abreast, and continue to monitor the situation to find the best way forward to help

⁵ The Chair's statement was subsequently circulated in document JOB/GC/320.

Members fulfil their commitment "to conduct discussions with the view to having a fully and well-functioning dispute settlement system accessible to all Members by 2024".

- 2.10. I hope you have had time since the informal General Council on Tuesday to reflect on these suggestions and the views that were expressed by other Members. Therefore, if my suggestions are acceptable to all Members, I would propose that we proceed accordingly in this initial phase of our WTO Reform discussions.
- 2.11. You will recall that likewise on Tuesday, I reported on my consultations on the Work Programme on Electronic Commerce and the moratorium on customs duties on electronic transmissions. The report on these consultations is also contained in JOB/GC/318.
- 2.12. I reported that I had sensed good engagement and welcomed the fact that delegations have been reaching out to each other to better understand some of the concerns. As Chair, I encouraged Members to continue these discussions. I also reported that throughout these initial consultations, I had heard delegations calling for pragmatism, efficiency, and evidence-based discussions elements that, I hope, can help us move forward productively.
- 2.13. In that regard, I suggested holding dedicated discussions in the General Council to address horizontal issues including the development dimension and encouraged all delegations to bring forward proposals in a timely manner, so as to be able to engage effectively on specific issues. I noted with regard to the subsidiary bodies, that some delegations are preparing proposals. I therefore suggested that work in these bodies should proceed based on Members' proposals.
- 2.14. I hope that delegations have further reflected about this approach and, if it is acceptable to all Members, I would propose that we proceed accordingly. Upon further reflection and given the General Council's busy agenda, I am considering appointing a Facilitator to assist me with future discussions under the Work Programme on e-commerce. I believe that this would allow this process to be conducted with the required intensity and attention and will ensure continuity of work between now and MC13.
- 2.15. As I signalled at the outset, I also wanted to make a few additional points related to implementation matters from other MC12 outcomes. In preparation for today's General Council meeting, I met with Chairs of regular WTO bodies on 3 October to hear updates from their respective areas, including on implementation matters from MC12. We had a very useful discussion, and I wish to thank all Chairs for their hard work. I learned from several Chairs that exchanges and discussions on MC12 outcomes are already taking place. In this regard, I would like to reiterate my encouragement to relevant WTO bodies to consider establishing work plans based on MC12 outcomes.
- 2.16. Another follow-up from MC12 relates to the consultations on the date and venue for MC13, which as I mentioned at the outset of the meeting I intend to undertake without delay.
- 2.17. Ambassador Lansana Gberie (Sierra Leone), <u>Chair of the TRIPS Council</u>, delivered the following statement:
- 2.18. Under this item on "Implementation Matters from MC12", I wanted to once again briefly report under my own responsibility how the TRIPS Council has been following up on relevant ministerial instructions from MC12. As you are aware, the most salient issue with respect to the MC12 Decision on the TRIPS Agreement is the commitment of Members under paragraph 8, to decide within six months on an extension to cover the production and supply of COVID-19 therapeutics and diagnostics. Discussions in this regard commenced immediately after the Ministerial Conference, at the TRIPS Council meeting on 6 July.
- 2.19. Since I last reported on these discussions to the General Council meeting on 25 July 2022, we have held dedicated informal open-ended meetings on this issue on 19 September and on 3 October 2022. At the first meeting, Members shared their views on which key issues would need to be discussed to enable Members to take a decision by the prescribed deadline in December. A number of Members expressed their readiness to move ahead with an extension of the Decision to therapeutics and diagnostics. Other Members called for an evidence- and fact-based analysis to

identify supply side constraints and any IP-related barriers to access to individual therapeutics and diagnostics. A number of delegations also raised the question of the scope of an extension of the Decision, including the possibilities of a definition of 'therapeutics and diagnostics'. Some delegations also indicated the need for a list of individual products to be covered. After the meeting, a number of Members informally shared their questions and analysis in writing with all Members. On the basis of this discussion, I set out a schedule of dedicated meetings between now and December in order to map out the path forward, which I circulated on 21 September 2022.

- 2.20. The second dedicated meeting on the issue took place on 3 October 2022. At that meeting, a number of delegations provided responses to question circulated after the previous meeting. Detailed interventions gave examples of product definitions from national legislation, and shared information on the licensing and supply situation of certain therapeutic products used to treat COVID-19. Other delegations requested evidence on concrete IP-related barriers and indicated that their internal information-gathering and consultation exercise was still on-going. Many delegations argued that the differences in use, production and distribution between vaccines on the one hand, and therapeutics and diagnostics on the other, meant that a solution for these products also needed to be different from that for vaccines. I have once again invited delegations that made detailed statements at the informal meeting to share these in writing, so that this exchange of information can continue. Most Members who took the floor also emphasized once again that the negotiation process on this question should continue in an open, transparent, and inclusive manner, and that all Members needed to be heard on the development of any outcome.
- 2.21. While I am heartened by the engagement and the efforts that delegations have clearly made to formulate questions and to provide detailed responses it is my sense that we will need to focus on concrete outcomes of our discussion very soon, in order to meet the approaching December deadline. To that end, I have urged delegations to engage bilaterally to address concerns and information queries which would otherwise take up too much time in the open-ended meetings. I have also encouraged delegations to circulate any material, position or any concrete textual proposals for a decision in writing as early as possible, so that these can be a basis for discussion in the next meeting. Our next discussion on this item will take place during the formal TRIPS Council meeting scheduled for 12-13 October 2022. I very much hope that delegations will intensify their contacts and engagement to address the issues and questions raised during the course of October, so that we can focus on concrete options for a decision at the following dedicated open-ended meeting.
- 2.22. Regarding other relevant follow-up from MC12, the TRIPS Council has noted paragraph 24 of the Ministerial Declaration on the WTO Response to the COVID-19 Pandemic and Preparedness for future Pandemics. As instructed therein, the Council will continue its exchanges on COVID-19-related experiences in the field of IP as it has done since June 2020, and would welcome any proposals that Members may make in this regard. Furthermore, as instructed by the Decision on TRIPS Non-Violation and Situation Complaints, the TRIPS Council will continue its examination of the scope and modalities for such complaints under the TRIPS Agreement with a view to making a recommendations to MC13. This discussion will take place under agenda item 8 of the next TRIPS Council meeting.
- 2.23. The <u>Chair</u> recalled that a number of delegations had already delivered rather detailed and well-structured statements on WTO Reform and on E-Commerce Work Programme and Moratorium at the Informal General Council on 4 October. He noted that delegations had the possibility to ask the Secretariat to record these statements in the minutes of this meeting. The purpose of this was for delegations to be on record, if they so wished⁶, and to avoid repetition in the debate.

⁶ At their request, the statements of Argentina; Australia; Brazil; Cameroon (African Group); Canada; Chile; Colombia; Costa Rica; Djibouti; Egypt; European Union; Fiji; India; Jamaica (CARICOM); Japan; Kenya (ACP Group); Nicaragua; Nigeria; Peru; Philippines; Switzerland; United Kingdom; and, Zambia at the 4 October Informal General Council meeting are incorporated in the minutes of this meeting and can be found in Annex 4 of this document.

- 2.24. The representative of Morocco delivered the following statement:
- 2.25. Any reform of the WTO should be proceeded from a perspective favouring the inclusion of developing countries, particularly those on the African continent and the Arab region, in international trade, especially, through the promotion of intra-regional trade.
- 2.26. The reform of the Organization, particularly of its legal arsenal and its organizational architecture, should give priority to the Development Agenda, as agreed by Members, to ensure sustainable development of developing countries and give political space, necessary for these countries, to revive their economies heavily impacted by the current health, economic and geopolitical conjuncture.
- 2.27. Reform should create institutional synergies between the WTO and other international organizations operating in the economic and social fields, in particular FAO, UNCTAD, WIPO, WHO, IMF and WBG, as well as with the private sector to coordinate actions and optimize efforts. Special amendment to the accession technical and juridical requisites should be introduced to ease and accelerate the accession processes of developing countries, and especially LDCs.
- 2.28. The organizational structure of WTO bodies should be optimized, to take into consideration the limited human resources of small-staff delegations, in order to give them an equal opportunity to attend the work of the various WTO bodies.
- 2.29. The representative of <u>Malaysia</u> delivered the following statement:
- 2.30. Malaysia wishes to address agenda items 2 and 3 together. On WTO reform, as we have highlighted during our engagement session, Malaysia strongly believes that in order to succeed, reform work must be Member-driven, open, transparent, inclusive, and must address the interests of all Members, including development issues. While we note that the work will be led by the General Council and its subsidiary bodies, we strongly urge for the establishment of a "Dedicated Session" in which all WTO reform proposals can be reviewed and considered in a more structured way. All reform initiatives shall be endorsed at the WTO General Council before being submitted to the Ministerial Conference. As Malaysia has highlighted on several occasions, we strongly view that the dispute settlement system, including the Appellate Body, is the most urgent matter and requires the urgent attention of the membership. Malaysia stands ready to support your work to restore a functioning dispute settlement system and to proceed with the appointment of Appellate Body members. Malaysia is also open to policy dialogues in future WTO reform process to discuss critical issues of importance, which could be organized in parallel, to enhance understanding and gather perspectives among Members on reform. Lastly, the process of WTO reform must keep development at its centre, promote inclusive growth, and fully consider the interests and concerns of developing countries. We hope we could maintain the same momentum from MC12 in our deliberations to achieve meaningful outcomes on the MC13 deliverables. On e-commerce, Malaysia welcomes the MC12 outcome on the e-commerce moratorium. Malaysia views the importance for WTO to give a positive signal to the business community and public society at large, moreover, as we are in the process of a post pandemic recovery and unprecedented food crisis around the world. Between now and MC13, Members should engage constructively on the way forward.
- 2.31. The representative of <u>Türkiye</u> delivered the following statement:
- 2.32. Although we have a clear mandate and strong commitment on the part of all Members, we recognize that it is a difficult task to orchestrate the workflow for any reform, and we thank you for your inclusive and transparent manner in kick starting this very important topic. Whichever mode the future deliberations will unfold, it is imperative that the process remains transparent, inclusive and open to all Members' inputs at all times. In terms of substance, obviously, it is not easy to differentiate and prioritize matters as every expectation and interest of Members are equally important, and they require us to address all three functions of this Organization. However, it would be naïve to think that simultaneous progress in terms of timing and essence can be achieved in all functions. On the contrary this appears to be a remote possibility.
- 2.33. We agree with some Members that there are certain low-hanging fruits for us to reap in the short term such as in the monitoring and deliberative function. These issues are more technical in nature and discussions can immediately start in the subsidiary bodies. We believe that any

improvement in the quality of our day-to-day work will have positive effects on other pillars of the process. While we need to be realistic and pragmatic, we also have to start with looking into the issues that paralyze this institution and thus require our immediate attention. We consider that making Appellate Body up and running again with its mandatory and binding character should be on top of our list. But we are mindful that urgency does not mean that convergence will be achieved easily and quickly. Therefore, we see merit in flexible approaches to achieve such convergence. In that sense, we recognize the importance of frank discussions ongoing under an informal setting and hope that they will prepare ground for a solution. Nevertheless, regardless of the possibility that each matter may find its own way to mature, still subsidiary bodies are tasked to carry out necessary work on the reform. Therefore, we agree with your suggestion to make sure that each subsidiary body take stock, explore ways and report to the GC on their relevant work.

- 2.34. Chair, as you rightly pointed out, we saw during MC 12 that the negotiating function is still alive. But this institution needs further proof that it will continue to remain relevant to the expectations of the people and preserve integrity of the multilateral system. Thus, updating the rule book, both for outstanding issues as well as the new ones, should be part and parcel of the reform process. In this process we should also strengthen the developmental aspects to make sure that trade is sustainable and beneficial to all. Therefore, we welcome your intention to organize an informal conversation among members on how to proceed with the reform and identify crosscutting issues by the end of this month.
- 2.35. Regarding the work programme on e-commerce and moratorium, we took note of your report on your initial consultations last week and we would like to call for transparency and inclusiveness. Starting our work as early as possible is not only needed due to rather tight deadline, but also because of the difficulties and entrenched positions on these issues. We all know that it was not easy to adopt this Ministerial Decision at MC12. As far as the issues related to the work programme on ecommerce are concerned, we support the practice of discussing them in relevant bodies of the WTO and reporting the results to the General Council. On the moratorium, we consider that it is urgent to discuss the scope and definitions. We agree with some delegations who called for a policy discussion amongst members on the scope and definitions as a starting point. We believe that this is more important than undertaking a cost-benefit analysis because to be able to undertake a costbenefit analysis, we need to be on the same page in terms of the scope and the meaning of the moratorium. We realize that there is a wide range of different interpretations by different Members when it comes to what the moratorium really says, how customs duties may apply to electronic transmission and what a custom duty or an electronic transmission is. We are flexible with the participation of experts from other organizations and institutions. But instead of having presentations on the impact of the moratorium, we believe that we need to hear first from relevant Members, especially those who are in favour of making the moratorium permanent, if possible in written form, what they understand from this moratorium and what problem they want to solve or what possible scenarios they want to avoid with this moratorium. The discussion on the moratorium requires extensive work both under the WTO and domestically. So, we deem it important that necessary work start in regular dedicated sessions to quickly reach consensus in line with the deadlines determined by the Decision. In this regard, we support holding a dedicated discussion in the General Council as suggested by the Chair during the Informal GC meeting on Tuesday. Before concluding, let me reiterate that Türkiye would like to be involved in this process all through and we are ready and willing to work with all Members to achieve concrete results.
- 2.36. The representative of <u>Djibouti</u>, <u>on behalf of the LDCs</u>, delivered the following statement:
- 2.37. We thank you, Chair, for this transparent and inclusive process of informal consultations. The LDC Group participated in your consultations on WTO reform and the E-Commerce work programme. Reform is a good opportunity to explore new ways, better ways of setting objectives and goals that are balanced and sustainable for our work and the organization. For the LDC Group, the General Council should lead on reform and the development dimension in the work of WTO should be at the heart of reform discussion. If there are elements that must be deliberated upon at the subsidiary bodies, this is fine, but any consolidation must take place in the General Council and the General Council should also be a venue for work on reform. That will be important for us to fulfil the ministerial mandate to consider decisions at the next Ministerial Conference. We welcome your proposal in the Informal GC meeting on Tuesday that you would hold an informal consultation very soon on next steps. We have been looking forward to this process to be initiated by the General Council to ensure that there is no discrimination against any proposal. All Members', including LDCs',

proposals must be considered on equal footing with the proposals of other Members. In your consultations we also highlighted the need maintain principles of inclusiveness, non-discrimination, and consensus-based decision-making. You noted this during your briefing on Tuesday as a shared expectation of Members.

- 2.38. The LDC Group referred to the need to consider all the elements in our own submission JOB/GC/223/Rev.1 and our LDC Ministers MC12 Declaration of October 2021. We would add that we think the reform process must take up our lessons learnt in the conduct and participation in Ministerial Conferences since creation of WTO. We must ensure especially that LDC proposals are discussed in all types of green rooms, and other forms of consultations, before Ministers. We recognize the utility of smaller breakout negotiations or consultations. However, before any outcome emerging from smaller groupings are deemed agreed, even if representatives of a group were present, the entire Membership must be included, and explanations provided on how the outcome was reached. This would include an explanation of the options and their rationale. At this time the Members should have the time to look at which option is desirable to them and weigh the pros and cons and the risks.
- 2.39. In terms of notifications and transparency, the LDC submission contains some proposals we wish to be discussed in the General Council process ahead. Our submission also includes ideas on reforming the process of Committee and Councils meetings, to avoid overlaps that aggravate the already severe capacity constraints for LDCs to keep up with the meetings and to participate effectively. On another matter, we think that the issue of penalties and administrative measures on LDCs should be reformed. Existing administrative measures, including ineligibility for technical assistance and access to documents, due to arrears in WTO membership fees, should be reviewed and re-examined. Regarding Appellate Body reform, we insist on a two-tier system. This issue is critical to the structure and workings of the WTO. We hear that some have said that LDCs are not involved in disputes and should not be concerned. However, we have indeed participated as third parties, and we will eventually graduate. All discussions must be transparent, multilateral, and inclusive. On agenda items 2(b) and 3, the LDC Group thanks you, Chair, for beginning the consultations necessary for us to proceed with the guidance of Ministers at MC12 document WT/MIN(22)/32. The LDC Group supported that we continue the work programme and the discussions on the impact of the moratorium, both mandated since 1998. We should prioritize the development considerations in recognition of the timelines found in the decision. The LDC Group submission in WT/GC/W/787 must serve as part of the contributions for our work ahead. In months ahead, we will also contribute further inputs into the Work Programme.
- 2.40. The representative of <u>Antigua and Barbuda</u>, <u>on behalf of the OECS</u>, delivered the following statement:
- 2.41. We wish to offer our condolences to the United Kingdom on the passing of Her late Majesty Queen Elizabeth II and we wish to offer condolences also to the Central African Republic in respect of Ambassador Samba. We also wish to welcome new ambassadors and to bid a fond farewell to the departing ones, especially our own Chad Blackman of Barbados who was very active in our CARICOM Group.
- 2.42. The OECS WTO Members are aligned with the statements on behalf of both the CARICOM and ACP Groups. Chair, many thanks for your reports and all the intersessional work that you have conducted on the vital issues of WTO reform and the E-Commerce Work Programme. We refer to our statements made on these matters at the Informal General Council on 4 October. However, permit us to offer a few brief reflections. The OECS remains committed to advancing meaningful work on both reform and the ecommerce work programme.
- 2.43. With respect to WTO reform, we wish to state the following: we should agree on the perimeters for reform, and we believe that the work you have set out can take us further in that direction. We need to preserve space for small delegations to be fully engaged in our discussions. This means that our work on reform must remain faithful to the principles of inclusivity, transparency and openness. The work of the subsidiary bodies must be brought back to the General Council. To do otherwise would inadvertently exclude small delegations like ours which lack the capacity to engage across the board from important discussions and decision-making. Furthermore, while we have acknowledged the informal discussions on dispute settlement matters, and in fact we have

participated and done so constructively and in good faith, the entire membership needs to also be involved in addressing the challenges concerning the dispute settlement system.

- 2.44. Concerning the E-Commerce Work Programme, we once again place on record our desire to reinvigorate this work, particularly on issues pertaining to the digital divide and the impact of the moratorium. We should also return to the structured format which we attempted two years ago. We also reiterate our call for an independent analysis on the impact of the moratorium given the divergent views on this issue.
- 2.45. The representative of <u>Singapore</u> delivered the following statement:
- 2.46. Singapore commends your extensive and inclusive consultations with Members and support your proposed ways forward on these two very important issues. Allow me to make three points on each of these two issues. Members have been given a clear mandate MC12, "commit to work towards necessary reform of the WTO". However, as you have highlighted on Tuesday, we know that reform means different things to different Members, who also have different thinking on how we can advance reform. In this context, we should be realistic and approach WTO reform as a multi-year journey, but we should have clear checkpoints to ensure that we are able to reach our destination in a timely manner. Hence, we envisage the journey in three phases, namely "discovery, distillation and delivery". Given that WTO reform means different things to different Members, it is worthwhile as you have proposed, to invest some time in the "discovery" phase, where all Members will be given the opportunity to articulate their ideas on WTO reform. This could take place during the upcoming retreat as you have proposed. The "discovery" phase will likely end with a well-decorated Christmas tree, or to borrow your words, it will be "like a jungle". Hence, the "distillation" phase is critical for Members to identify baskets or packages of issues that enjoy wide traction and broad-based support for further discussion. This is when Members have to exercise flexibility and find common ground and discard the "my way or no way" attitude. Again, in your own words, we must find order in the jungle, which will be an extremely challenging test in terms of "delivery". The first checkpoint could be MC13, where Members can deliver a "distillation" of the key issues for our Ministers to blessed. We must entrust the GC Chair to use different configurations or modalities to engage Members and make progress.
- 2.47. Turning now to the Work Programme on E-Commerce. Our Ministers have also given us a clear mandate to reach agreement on the Work Program on Electronic Commerce. We can adopt a similar three-stage process. One, we need to re-examine all the original "raison d'être" of the work programme and return to first principles, while ensuring that Members use the work programme to pursue a positive agenda. Two, we can reinvigorate the work program by focusing on elements that are relevant to today's digital realities and help Members, especially developing Members, to build their national digital strategies. Three, we need to redesign the process by using the work program to develop an overarching policy framework to guide digital transformation and be an interface to generate ground-up digital initiatives by industry to support the development of the digital ecosystem. Singapore is committed to continue working with all Members to tame the jungle rather than allowing the jungle to overcome us.
- 2.48. The representative of <u>Cambodia</u> delivered the following statement:
- 2.49. My delegation aligns with the statement made by Djibouti on behalf of the LDC Group. First, we take note of the mandate provided to the WTO by the Ministers at MC12 to take up the issue of WTO reform. I think in the MC12 outcome document, it is quite clear of what the process in conducting WTO reform should be. Therefore, it is important that we carry out our work in accordance with the principle of Member-driven, open, transparent, inclusive, and must address the interests of all Members, including development issues. On this matter, I just want to re-emphasize the need to adhere to this principle to ensure full and comprehensive participation from all Members regardless of their level of development and interest, as the outcome will affect all Members. Second, we would like to emphasize that we take the issue of WTO reform seriously and with careful consideration. The document JOB/GC/223/Rev.1, which provide the LDC Group's views on WTO reform, is a clear indication of our commitment and strong interest in the matter. Third, we would like to underscore the need to restore the two-tier dispute settlement system which is a critical pillar of the WTO. On this particular topic, it is important to adhere to the principles whereby any reform should avoid creating rules and procedures that impose administrative burdens and additional complexity on LDC parties or third parties in disputes; and that legal advice and assistance to LDC

Members should be appropriately provided including additional flexibilities and resources for LDC Members. Finally, we look forward to the discussion on the matter of WTO reform and will participate constructively in all forthcoming discussion.

- 2.50. The representative of <u>China</u> delivered the following statement:
- 2.51. On WTO reform, we thank you, Chair, for the report on your consultations, both today and Tuesday. It is a very comprehensive report and fully reflects Members' views. For China, we see that WTO reform is an ongoing exercise, rather than from scratch. The agreed paragraph 3 and 4 in the outcome document of MC12 mean that all Members are committed to the WTO reform and are ready to engage. We hope such commitments will become concrete actions. In this regard, we agree with you that subsidiary bodies should be tasked to see what have already been done and what are already on the table. On substances, Dispute Settlement, especially a fully functioning Appellate Body, is our first priority. We welcome the current expert discussions and hope it could lay a good basis for further formal discussion and decision-making in a later stage. Also, proposals on other functions of this Organization are already on the table. It is important for us to ensure that by MC13, if not earlier, concrete outcomes could be achieved in these areas, as they are critical to the existence and functioning of the WTO. During the whole process of this reform, WTO's core principles should be well preserved and observed. Development should be at the centre of the whole exercise. The process should be Member-driven and proposal-led. In the meantime, we should avoid conceptual debates, but focus on substances, and seriously engage in discussions especially on those proposals from developing Members and LDCs. This reform should be regarded as an opportunity to find new thinking and new approach to get the stuff done, rather than be seen as an opportunity to overturn the existing mandates. In the meantime, we should also be careful not to overload this organization by introducing topics that are not relevant to trade or beyond the mandate of WTO as a trade organization.
- 2.52. On E-commerce, my intervention will cover item 2(b) and 3. On the work programme on e-commerce, we hope the successful MC12 will lead the discussions in relevant bodies to be more substantial and targeted with the engagement of all Members. China notes the CTD document WT/COMTD/W/264 circulated by India and South Africa, and we look forward to engaging in the discussions on further proposals submitted by Members in CTG, CTS and TRIPS Council. On the moratorium, it is disappointing that after several years of discussions, Members' positions are still polarized. We see the value of those dedicated discussions held before under the auspices of General Council, and we support your idea to continue such kind of discussions. People emphasize the need to have experts representing different views of Members and we agree to it. But from the previous experience, we see that Members with different views will refer to analytical studies of experts supporting their own positions and people are talking on different pages. So, if we want to have a common ground for such kind of discussion to build consensus, we need to have an analytical study acceptable to all Members as a discussion basis. For this purpose, we would like to suggest the Secretariat to take the leading role to work together with OECD, UNCTAD and other experts to have a joint study which could facilitate Members' discussion and help reach consensus.
- 2.53. The representative of Sri Lanka delivered the following statement:
- 2.54. Regarding WTO reform, during the consultations, Sri Lanka shared its perspectives around three key areas, namely, on what are the necessary reforms, clarifying the Ministerial mandate on WTO reform and its boundaries, and what are the most appropriate institutional arrangements for conducting the WTO reform process. We reiterated that there must be a standing agenda item in General Council meetings for WTO reform. We also stated that Members should prepare a necessary list relating to WTO reform. In preparation of this necessary list, development agenda in favour of developing and LDC Members should figure prominently. The multilateral trading system must give space for developing countries to industrialize. This explains the strong push by developing countries for development to be at the centre. Hence, the development issues in the DDA continue to be of paramount importance to us. These include implementation issues, S&DT, and agriculture-related issues public stockholding, SSM and domestic support. Finally, on fisheries subsidies, in accordance with the existing mandates, work should continue in this area in accordance with the mandate provided by MC11 and MC12.
- 2.55. On the specific questions posed on how to organize our work, WTO reform is a process as much as it is substantive. We should consider Members' submissions in the General Council and its

subsidiary bodies as and when they come in. However, we hope that Members will not flood the WTO Bodies with submissions as small missions do not have the capacity to respond to all those issues and attend to all meetings – which we have witnessed, and also as we have heard from many delegations today. It may be useful to have a standing item in the agenda on WTO Reform so that we can keep track of the work and progress. We also suggested, in the absence of small delegations being able to participate effectively in those discussions, as a transparency exercise, the open-ended sessions should be held. This would help small delegations who have missed small group discussions to appraise themselves of the progress being made. A similar approach could be used in the bodies if submissions for reforming the work in the subsidiary bodies are proposed.

- 2.56. So, how do we best move forward our work in a results-oriented manner, including what priorities should be and what process should be in place? We need to prioritize the multilaterally mandated issues, especially agricultural reform, food security and development which I alluded to in my intervention. There is a need for all Members to be constructive, in particular in the CTD SS, where we look forward to constructive engagement from all Members on the G-90 proposals which are extremely relevant in the post COVID-19 context. Specific matters relating to WTO reform may be taken up in different WTO bodies, including various Councils and Committees depending on the nature of the technicality of the matter. However, cross-cutting issues should be discussed at the General Council. On institutional reforms, these issues need to be taken in the General Council for formal consideration. On the Chair's oral report, it should be noted particularly in Paragraph 1.20 where reference was made to the General Council and subsidiary bodies, our understanding is that Paragraph 3 and Footnote 1 of the MC12 Outcome Document used the reference "General Council or its subsidiary bodies". Your report aims to suggest that these subsidiary bodies would report to the General Council, as appropriate. We would like to get some clarity on which subsidiary bodies we are talking about. It cannot be any other subsidiary body, because it has to be technically relevant subsidiary bodies. It will depend on the issues that we are going to focus on. We know that we already have a mechanism on dispute settlement-related matters. We are thankful to those delegations participating in these discussions, particularly to the United States who has taken a leading role in this regard. The United States has reached out to us as well, though we are not a very strong advocate and participate in that discussion. Those are some of the examples that we see would be quite productive and dynamic to get more delegations into the negotiations and seeking convergence around issues. Before concluding, we also like to place on record your efforts, Chair, because you have reached out to all delegations, whether they are small or big. That is the sense of comfort and confidence that we look forward to having as we move forward on WTO reform.
- 2.57. The representative of <u>Norway</u> delivered the following statement:
- 2.58. I join others in expressing condolences to the United Kingdom and Central African Republic. Since this is my first General Council, I also wanted to say thank you to all the warm words of welcome expressed today.
- 2.59. Turning to the issues on reform I would like to thank you, Chair, and the DG, for your efforts and consultations you have carried out. During the Informal meeting on Tuesday, Norway did not take the floor. The reason for that is actually that we were quite happy with the way you summarized the whole discussion our views were quite well reflected. Very short we support your approach for a combined bottom-up and top-down approach and also your proposal of having a retreat at the end of the month or beginning of next month.
- 2.60. For us, we think development should be an important part also in the reform discussion. When it comes to dispute settlement, we favour that the informal discussions/consultations continue for a while, or as you said, some time not unlimited.
- 2.61. Now turning to the Work Programme on E-Commerce, we agree that we should intensify work, not least on the development dimension. When it comes to the moratorium our desire is to find a permanent solution for the customs duties on electronic transmissions. We favour an open discussion also with other factors and we think ecommerce should be on the agenda also in CTS, CTG and the TRIPS Council. And to your suggestion that we have a facilitator for E-Commerce, we think that is an excellent idea.
- 2.62. Turning to fish, two quick points first and perhaps the most pressing, in the short run is to obtain entry into force that is important. We have started our procedures back home. We hope to

have it done by the end of the year and we encourage others to do this as speedily as possible. Part two of the fishery negotiations - the rest of the mandate, we look forward to the retreat early next week and hopefully some real brainstorming taking place there.

- 2.63. Finally, I have to say two sentences on the situation in Ukraine. Russia's attempt to annex territory of another WTO Member through the unlawful use of force is a flagrant violation of international law including the UN Charter and also WTO principles. We will stand by Ukraine as long as it takes.
- 2.64. The representative of <u>Jamaica</u> delivered the following statement:
- 2.65. Jamaica welcomes Paragraphs 3 and 4 of the MC12 Outcome Document agreeing the agenda for reform in the WTO. We believe that development issues should be at the centre of the reform negotiations. WTO reform should maintain the multilateral character of the WTO. It is critical, also, that WTO reform recognizes the need for the WTO to transition into an organization that is fully equipped to assist its Members, especially the most vulnerable among them, in an evolving global trading system. Issues such as embracing new forms of trade, elimination of trade barriers for small enterprises, increased global market presence of small economies, export diversification and incentives to build the international competitiveness of developing countries are assigned high priorities.
- 2.66. Technical assistance and capacity building must remain a crucial part of the WTO's work. Eligibility for technical assistance and capacity building for developing countries should not be constrained by externally imposed, pre-defined requirements or indicators such as per capita incomes. The negotiations on WTO reform should not serve as a platform for Members to pursue political agendas that are known to be divisive in the WTO. That approach will only lead to years of delay in what Jamaica considers to be an important and urgent process.
- 2.67. Special and differential treatment for developing countries and LDCs must continue to be an integral part of existing and new agreements. The reform negotiations should also ensure that the WTO makes a tangible contribution, within its remit, to tackle the issue of climate change and to assist its members in dealing with issues of resilience to and recovery from natural disasters. Reform discussions should assess how Ministerial Conferences are organized so that appropriate adjustment can be effected, as necessary, to make the work of Ministerial Conferences as efficient and effective as possible.
- 2.68. On process, the negotiations should be transparent and inclusive. Jamaica does not oppose the convening of sub-plenary meetings if the Chair is of the view that doing so will be of value. However, Jamaica has a legitimate expectation that sub-plenary meetings must be characterized by inclusivity and equity in participation in order to properly reflect the heterogenous nature of the WTO. Outcomes from sub-plenary meetings or processes should not be viewed as a *fait accompli*. We all have views reflecting our domestic stakeholders' concerns and interests, and these views must be treated equitably.
- 2.69. We listened to Members that call for an evidence and data-driven discussion. We are not against an evidence-based discussion but the issues of Members that lack capacity to present detailed data should not be put aside on the basis of fabricated perception that those issues are unfounded. We all have different experiences and methodologies in the implementation of our national development policies, so we expect the negotiations to be sensitive to this reality.
- 2.70. The agenda should be open and takes on issues of interest for all Members. Meetings should be schedule in a manner that takes account of the capacity constraints of small delegations, most of which would have a single delegate covering multiple issues. Jamaica will be engaging constructively in the discussions and we hereby kindly request to be included in your consultations. In closing, we align ourselves with the statements from the CARICOM and ACP Groups.
- 2.71. The representative of Kenya, on behalf of the ACP Group, delivered the following statement:
- 2.72. Our intervention applies to both Item 2.b and Item 3. I thank you for your detailed report and for your dedication to this file. We also applaud the manner of your engagement, which we have

found productive, and based on respect, openness, transparency and inclusivity. We are confident that you will continue to undertake the work in this manner. We refer to our comprehensive statement that we made at the Informal General Council on 4 October. However, for emphasis, we want to highlight a few points briefly.

- 2.73. The ACP is committed to WTO reform and even ahead of MC12, ACP Ministers had set out their expectation for WTO Members to launch a process for the reform of the Organization on the basis of transparency, inclusivity, consensus-based decision-making, fairness and equity. We see benefit in undertaking our work on reform through a structured process at the level of the General Council, but with the subsidiary bodies given the remit to contribute to the process ad referendum to a final decision of the General Council.
- 2.74. For the ACP Group, central to our work on reform would be securing an outcome which boosts the development dividend of the WTO in terms of how it contributes to better outcomes for developing countries and LDCs with respect to the application of special and differential treatment in WTO agreements; providing policy space to pursue strategic and industrialization objectives; facilitate inclusive growth and development and further integrate developing countries and LDCs into global value chains.
- 2.75. Furthermore, we see resolving challenges and concerns with respect to the Dispute Settlement System to be of the utmost priority. The ACP reiterates its desire to have a fully restored Dispute Settlement System which preserves the current two-tiered structure. We look forward to multilateral discussions on the dispute settlement matters and commit to playing a constructive role in any such endeavour. Once again, thank you for your report and we look forward to the work ahead.
- 2.76. The ACP Group thanks you for the report on your consultations on the 1998 Electronic Commerce Work Programme in light of the MC12 decision. The ACP Group has been a staunch supporter of reinvigorating the Work Programme and has been consistent in General Council meetings in not only supporting structured discussions but also by requesting that such discussions cover all issues within the scope of the Work Programme. We are therefore encouraged by the level of engagement that is being demonstrated by Members, particularly as it relates to the development dimension.
- 2.77. We wish to refer to the comprehensive statement that we delivered at the Informal GC on 4 October, and to reiterate the high level of importance that the ACP Group places on the principles of consensus, transparency, inclusiveness and openness, as well as the Member-driven nature of the WTO. The ACP Group will continue its internal reflections on the future work over the next few weeks and stands ready to engage with all Members on reinvigorating the Work Programme on Electronic Commerce.
- 2.78. The representative of the <u>United States</u> delivered the following statement:
- 2.79. On item 2.A of the agenda WTO reform, we just want to express our thanks and support for your proposal on how to move forward. As I have said before, looking forward to the brainstorming sessions later this month or earlier next month. Just a couple of additional points, I think we have had some conversations where we agree with comments that have been made by others advising against looking at a very fulsome package, we should look at reforms as they come a long and harvest them as they are ready. I was going to say and remind people of sage words of we need to act, to think, work and act differently but now I am still digesting the discover, distil and deliver, so more food for thought there. Since we got a read out from the TRIPS Council Chair on the conversations with respect to the waiver. I just want to, for transparency purposes, let everybody know where we are, that is we a continuing to conduct our domestic consultations on whether to extend the TRIPS Decision to cover the production and supply of diagnostics and therapeutics for COVID-19. As part of our consultations, we are in the process of gathering information on related issues, such as supply, production, demand and distribution as they relate to diagnostics and

therapeutics for COVID-19. We will continue to engage in these consultations at home and also engage with everybody here as we continue on this issue.

- 2.80. The representative of <u>Cameroon</u>, <u>on behalf of the African Group</u>, delivered the following statement:
- 2.81. I am delivering this statement, on behalf of the African Group. The African Group has taken note of your report and we would like to reiterate that the MC12 outcomes must be implemented in a manner that it is satisfactory to all. We would like to draw your attention to the African Minister's Statement on Reform, circulated on 14 June 2022 and contained in documents WT/MIN (22)/18 and WT/GC/250 respectively. In addition, paragraph 3 of the MC12 outcome document provides a clear commitment and guidance for reform discussions. It is in this light that we support your efforts on reform and call for the commencement of a member-driven, open, transparent, inclusive, and targeted reform of the WTO in the General Council and its subsidiary bodies. Consensus-based decision-making is a major tenet for all the members of this organization. Therefore, the African Group would like to stress the importance of preserving Article IX.1 of the Marrakesh Agreement as we embark on WTO Reform. Having said that, the restoration of the Appellate Body is crucial for the maintenance of the balance of rights and obligations that were carefully negotiated in the Dispute settlement Understanding. The reform of the dispute settlement system should, therefore, be our highest priority, to ensure that we have a well-functioning dispute settlement system accessible to all Members by 2024. The African Group is also of the view that the WTO reform should be based on based on written submissions by Members and address the interests of all Members, in particular development issues. We therefore stress the need to reinforce special and differential treatment (S&D) as a core tenet of the WTO, its agreements and future negotiations; address longstanding imbalances in the rules; and retain equality and inclusivity as core principles. We remain committed towards developing a common understanding, through multilateral engagement, the institutional challenges that Members seek to address in the dispute settlement function, negotiating function, monitoring and implementation of mandates and Decisions. Finally, the outcome of the WTO reform process must safeguard the necessary policy space needed for developing countries, especially LDCs and Small Economies, for their structural transformation, industrialization and economic recovery.
- 2.82. The representative of the <u>European Union</u> delivered the following statement:
- 2.83. The European Union will not repeat its statement made on 4 October at the informal meeting, but I would just highlight some key points. We were encouraged to hear at the informal meeting the strong commitment to reform expressed by Members during your consultations. Today you sketch out a way forward that we fully support. We believe highly meaningful work can be done in the Committees in conjunction with discussions in the General Council on relevant matters. For the European Union reform of the dispute settlement function is a pressing priority. We believe the necessary space needs to be given to the ongoing informal process at this juncture, to be complemented by a more formal process at the appropriate moment next year. The retreat we are going to have will offer a first opportunity for Members to discuss the different issues of the reform. The European Union also welcomes the increased interest among Members to engage in the implementation of the MC12 decision on e-commerce, in particular intensifying engagement on the development/digital trade related issues. We welcome the Chair's suggestion to hold a dedicated General Council session on e-commerce, and that the work in specific committees could continue on the basis of Members submissions. We stand ready to intensify engagement based on facts and get into specific discussions as soon as possible to identify a way forward on both issues well ahead of MC13. And we have heard last week at the Public Forum the strong interest by industry and particularly MSMEs, to have a constructive discussion with a view to an extension at MC13.
- 2.84. The representative of Nepal delivered the following statement:
- 2.85. My delegation wishes to refer to the statement delivered by Nepal at the meeting of this council in July and expresses its full commitment to effective implementation of the Geneva package of MC12. I commend you, Chair, for inviting my delegation in consultation where Nepal has shared its perspectives on this matter. Regarding the process, both bottom up and top-down approach can be applied based on the subjects and sensitivity of the issues. For instance, defining the scope, setting parameters, and fixing the modality can be decided by the General Council. Based on such a decision, the General Council and its relevant subsidiary bodies can proceed to conclude our tasks. Regarding the scope, my delegation views that all three pillars of the WTO functioning should be

covered. In addition, levelling the playing field in legal architecture, accession practices and WTO functioning is essential. Discrimination in some WTO laws such as Agreement on Agriculture, and discrimination between founding and acceded members created by the accession practices need to be fixed. Let me give you an example Chair. Nepal, Cambodia and other LDCs who joined the WTO through the accession process have higher level of commitments and obligations than some founding developed country members. Therefore, concerns of members especially the LDCs who joined the WTO through accession process with very high level of commitment and obligations beyond their capacity should be addressed. This would allow them adequate policy space to take needful decisions in their socio-economic development.

2.86. Special and differential treatment for developing countries, especially the least developed countries and land-locked developing countries, should be an integral part of the WTO reform for building their trade capacity. Another important aspect to cover is that if any member faces huge trade gaps after joining the WTO such as having export import ratio of 1:10 or higher, for ratio threshold we can discuss further, but they should be given adequate flexibility for adopting needful policy space in a non-discriminatory manner. Similarly, issues and challenges faced by graduated LDCs should be included in the WTO reform to ensure smooth transition after graduation. Finally, land-locked developing country members have been facing unique difficulties and challenges while participating in global trade. Therefore, their concerns should also be addressed in an appropriate manner through the reform process. My delegation stands ready to engage in the entire reform process and contribute to conclude it in a timely and inclusive manner. Let me turn to work programme on electronic commerce. Going digital has become essential especially in the context of COVID-19 pandemic. However, LDCs and LLDCs have not been able to participate in and benefit from e-commerce. This is mainly due to the huge digital divide especially in availability, accessibility, affordability and application. Reinvigoration of ecommerce work programme is urgent to address these gapes especially in LDCs and LLDCs.

2.87. The representative of Colombia delivered the following statement:

2.88. As a developing country that faces major challenges in matters of trade and taxation, Colombia has always considered e-commerce to be a tool for development. The very basis of this tool is the opportunities it provides for countries such as ours to access third markets on an equal footing and by taking advantage of the fact that e-commerce has lower costs and fewer intermediaries. We support initiatives to renew and reinvigorate the work programme and associated discussions. We are receptive to open discussions in different configurations and approaching this issue from different angles in order to capture the interests and concerns of all Members. The participation of other international organizations and stakeholders will be essential to have an informed debate. Similarly, Colombia supports the moratorium on the imposition of customs duties on electronic transmissions. The Organization cannot backtrack on this matter and must take a forward-looking view of future trends in global trade. Related to this issue, we wish to reiterate the importance for Colombia of the moratorium on intellectual property, and we emphasis the call we made to discuss and approve the two moratoriums at the same time, which has allowed both to continue to be renewed.

2.89. The representative of <u>Switzerland</u> delivered the following statement:

2.90. Regarding WTO reform, we refer to the statement made during the informal General Council meeting of 4 October, which we have sent to the Secretariat for inclusion in the minutes. As for e-commerce, Switzerland welcomes the decision taken during the Twelfth Ministerial Conference on the Work Programme on Electronic Commerce and the extension of the moratorium. Members have thus ensured that the WTO remains a relevant forum for digital trade governance in this century. Our delegation supports the revitalization of the Work Programme and the particular focus on the development dimension. As we have already expressed our views regarding the structure of the "dedicated sessions", a format that has proved successful in the past. Regarding the development dimension, we align ourselves with the view expressed by Canada in the informal meeting, in that we would welcome hearing directly from developing Members, including least developed countries, about the trade related issues that they consider to be priorities. Accordingly, Switzerland will consult with a number of Members to identify priority topics for discussion. Switzerland is of course willing to continue contributing to discussions on the moratorium. Lastly, Switzerland condemns Russia's military aggression against Ukraine in the strongest terms. The annexation of Ukrainian territory by

Russia violates the territorial integrity and national sovereignty of Ukraine. By pressing ahead with this annexation, Russia has broken international law once again since its annexation of Crimea in 2014. Switzerland does not recognize the incorporation of the Ukrainian territories into the Russian Federation.

- 2.91. The representative of <u>Samoa</u>, <u>on behalf of the Pacific Group</u>, delivered the following statement:
- 2.92. I speak on behalf of the Pacific Group. We will submit the full statement after the meeting and would like to highlight the following: Thank you for your report to the Informal GC meeting and your brief presentation to this meeting this morning, on your consultations on the WTO Reform with Members; and we commend the transparent and inclusive manner in which the consultations are taking place. The Pacific Group supports that the WTO reform should aim to improve the three functions of the WTO of monitoring, negotiations, and dispute settlement) in line with the MC12 outcome. On the process, our view is for this work to continue under the General Council to coordinate the overall reform agenda and consider cross-cutting issues, complemented by the work in subsidiary bodies. We understand, this is in line with your proposal; and stress that the process should be transparent and inclusive of all Members. On the Appellate Body, the Pacific supports the restoration of the two-tier dispute settlement system. The reform should ensure that the dispute settlement system is accessible by all members, including Small Island Developing States particularly so, for the Fisheries Subsidies Agreement.
- 2.93. The Work Program on E-Commerce is important for Small Island Developing States. We are pleased to note that many Members are ready to reinvigorate the work program and that work has started in the subsidiary bodies. This work must help address the development dimension of Ecommerce to bridge the digital divide. Surrounded by the vast Pacific Ocean, e-commerce, is a development opportunity to address the inherent barriers to trade that we face. More work is needed to improve trade logistics, the regulatory environment, building secure e-payment systems, trade facilitation and skills training. To strengthen national and regional efforts through the Pacific e-commerce strategy, the Pacific Group supports meaningful and targeted opportunities to share experience and best practices to build understanding on issues affecting e-commerce and solutions to address them; as well, a better understanding of the impact of the moratorium for developing countries on revenue and the development of digital industries. On process, the Pacific Group supports the role of the General Council in the co-ordination of this work and in dealing with crosscutting issues as well as the work in the subsidiary bodies.
- 2.94. On the TRIPS Waiver, we thank the Chair of the TRIPS Council for his report. The Pacific Islands are heavily reliant on imports including essential medicines and medical supplies and equipment. The MC12 decision was important to ensure access by all Members to COVID 19 vaccines, therapeutics and diagnostics. We have less than three months to reach the six months deadline set by MC12 for a decision to include therapeutics and diagnostics. We urge Members to work expeditiously in the TRIPS Council to ensure such a decision is reached in line with paragraph 8 of the Ministerial decision. We emphasize the need to progress work on future preparedness in line with (paragraphs 23 and 24) of the MC12 Ministerial Declaration.
- 2.95. The representative of <u>South Africa</u> delivered the following statement:
- 2.96. On agenda items 1 and 2, we refer to the substantive statements that we gave at the informal General Council of 4 October. These have been furnished to the Secretariat and we request that they be entered into the formal record. Our core priority is industrialisation as set out in Africa's Agenda 2063. My delegation is committed to engaging in constructive dialogue with a view to explore how as we consider the Work programme on e-commerce and advance our discussions on WTO reform that we ensure outcomes that support our industrialisation objectives, which highlights the importance of the intersection between trade and industrialisation. As we said in the Informal General Council, South Africa's perspective on WTO reform is articulated in the fourth Revision of the Africa Group, Cuba, India and Pakistan paper entitled: "Strengthening the WTO to Promote Development and Inclusivity". We would like to share the principles that summarise SA's perspective on WTO reform. First, safeguarding the multilateral character of the WTO. This includes upholding and retaining consensus decision-making, equality, inclusivity and transparency in the operations of the WTO. Second, preserving the Member-driven nature of the WTO. This implies that Chairpersons of WTO bodies and the Secretariat uphold their roles as neutral facilitators of engagements among

Members. Similarly, the role of other stakeholders, including intergovernmental and international organizations should be confined within their mandate and with due regard to a multiplicity of perspectives. Third, preservation of policy tools to promote economic recovery and provision policy flexibility to support Intra African Economic integration, structural transformation and industrialization. Fourth, reaffirming the principle of Special and Differential Treatment for developing countries in the WTO within existing and future agreements- We would emphasize the important role of the CTD-SS in this regard. Fifth, reasserting development within the WTO by delivering on longstanding development mandates. Sixth, restoring a functioning, independent and effective dispute settlement system in order to preserve and enforce the rights and obligations of all WTO Members in a fair and even manner. The dispute settlement system should be reformed to ensure it is accessible by all, particularly developing countries. Finally, we associate ourselves with the statements delivered by Cameroon on behalf of the Africa Group and Kenya for the OACPS.

2.97. The representative of the <u>Russian Federation</u> delivered the following statement:

2.98. I would like to start with some general observations regarding the conduct of our meeting. In your letter of 21 September, Chair, you called for respect for rules 23 and 27 of the GC rules of procedure prescribing the delegates to avoid repetition of statements on issues that have already been raised before and it is unfortunate that some Members have chosen to disregard your request. Positions of those Members regarding the situation in Ukraine have been stated numerous times at the General Council and have not changed, they have repeated them over and over. This distracts us from our joint work on mandated issues and is simply disrespectful to other Members. I also dare to kindly remind you, Chair that you have the right under rule 17 of the same document to call the speaker to order if his or her remarks are not relevant to the agenda of the meeting. The situation in Ukraine is evidently not an issue of today's meeting agenda. However, since some Members repeated today unfounded allegations with regard to my country and were not called to order I am forced to reply. I will try to be brief. First, attempts to pin on the Russian Federation blame for bleak economic prospects including in energy and food sectors are simply misleading. The energy and food crisis started to emerge long before and the two causes lie in the systemic miscalculations and mistakes accumulated over decades due to macroeconomic, energy and climate policies of certain WTO members. The situation has been exacerbated by unilateral restrictive measures of the same Members, which they call sanctions. It is unclear whether those Members intended to hit countries all over the world with their measures but that is what they clearly did. As a result, everyone now has to pay a much higher price for energy, food and other products. For some this could lead to unexpected costs, for others it could mean starvation. Second, the holding of referendums in the Donetsk People Republic and Lugansk People Republic, Kherson and Zaporozhe regions represents the right to self-determination of the people who live in these territories. The people who were mistreated for years made their choice regardless of whether some like it or not. The referendums were held in accordance with international standards, more than 130 foreign observers from 28 countries participated in it. Everyone who wanted to witness the process had such an opportunity. Those who preferred to keep a blind eye on what is really happening on the ground in those regions, as they have been doing during the last 9 years, may continue to express their political views in the dedicated international organizations and fora but not here in the WTO.

2.99. On the current agenda item on the WTO reform. I did not take the floor at the informal General Council meeting on Tuesday, but we heard at that meeting, as well as today a lot of useful suggestions on improving different aspects of this Organization's functioning and we are glad that discussions on the much-needed WTO reform are gaining momentum. We very much appreciate your efforts as Chair and are thankful for your concise report, presented on Tuesday. However, before discussing specifics, it is important not to forget the bigger picture and clearly define the common goals and objectives of the reform. Currently, the views and ambitions of different Members are too varied. The level of ambition should remain realistic, with focus on specific results that can be achieved in the timeframe set out in the relevant MC-12 decision. In this regard, we tend to agree that a sort of "package approach" to reform will just not work. In the Russian Federation view, we should start by making sure that the WTO provides a stable framework of economic openness, which promotes economic recovery and development. The WTO system of rules must be efficient, enforceable and fair. These rules must be respected, and there must be remedies in case of their breach. Second, we support the importance of looking at the current rules and changing them, as appropriate, to address imbalances in the WTO Agreements and to level the playing field and I am sure that my fellow Article XII Group members will support such an approach. At the same time, we should first agree upon common rules and then implement them, rather than invent national measures focused on specific economic elements, like the green agenda, and then impose them on others here at the WTO. Both regional and global economies may not be able to maintain such an approach. Some Members highlight the role of Joint Statement Initiatives in revitalizing the WTO negotiating function. The Russian Federation supported that as long as words matched the actions and these negotiating formats were truly open, inclusive and transparent, as declared. If the current trend towards a selective approach to Members' participation persists – the value of JSIs as a tool to improve the WTO rulebook will be much less evident.

2.100. On the dispute settlement reform. The Russian Federation, as many other Members, initially was not a demandeur of the dispute settlement reform process. Now, 127 Members of 164 are still consistently urging the DSB to launch the selection process and to appoint the AB members. This leads to a conclusion that Members are overall satisfied with the operation of the current system as enshrined in the DSU. However, the fact that the WTO lost its rule enforcement tool eventually led to the adoption by some Members of national retaliation mechanisms and emergence of multiple ad hoc alternative means of adjudication. This means that the work on tweaking of the DS system needs to be launched as soon as possible. Moreover, every mechanism leaves room for improvement. In this vein, Russia reiterates the previously raised proposal to establish a Negotiating Group with specific terms of reference, mandate and rules of procedure and appoint a coordinator to facilitate the process. Now we are concerned with the current closed doors discussion on the AB reform. We believe that every Member of the WTO should be invited onboard, and every opinion should be taken into account. Closed formats cause distrust and predetermine negative attitude towards the results that will eventually be submitted for general discussion in the multilateral format of the WTO. On the reform process. We believe that the discussions should be Member-driven, inclusive, open, and transparent, as well as respect consensus-based decision-making. Promoting reform deliberations in each Subsidiary Body at expert-level seems fine, however the whole process should be structured and guided by the GC. Otherwise, we will create more problems than we will solve. For example, different Committees already have conflicting proposals on improving transparency disciplines. Lastly, Chair, we very much support your idea of having a retreat-like event to discuss the WTO reform in late October-beginning of November. We look forward to participating and engaging constructively in the upcoming discussions.

2.101. The representative of <u>Canada</u> delivered the following statement:

2.102. I will start with restating Canada's strong condemnation of the unprovoked and unjustifiable invasion of Ukraine by Russia. Its efforts to deny Ukraine's existence as an independent state and its blatant violation of the international norms that guarantee international peace, security and the territorial integrity and sovereignty of all States. The purported annexation of Ukrainian territory has no legitimacy and will never be recognized. Canada stands in our unwavering support for Ukraine's right to defend itself against Russia's war of aggression. Moving to the agenda at hand, I will add three things based on what I heard during the day. First, on implementation matters from MC12, beyond what we have already said on the importance of a functioning dispute settlement system by 2024 and the need to keep separate our efforts to improve the workings of the WTO from any rediscussion of renegotiating economically substantive commitments, we would underscore Canada's firm belief that development objectives must be integrated across our reforms of the WTO. We also support your proposed approach of having a retreat-like meeting and we look forward to actively participating. Second, on the e-commerce moratorium and the way forward that you have outlined, Canada supports your approach, and we look forward to contributing. Thirdly, I would like to express Canada's support for the Director-General's suggestion for increased engagement with business and non-business stakeholders that she suggested this morning. The packed sessions last week during the very successful public forum - in particular, sessions on trade and climate, trade and gender, and inclusive trade - is evidence that the world is truly interested in the intersection between trade and the world's most pressing global challenges. Engaging with business and non-business stakeholders will help this organization prove its ongoing relevancy to these issues.

2.103. The representative of Nigeria delivered the following statement:

2.104. Nigeria wishes to thank you for your statement. We also wish to commend you for taking time to consult Members on the important issue of WTO Reform. We have already shed light on our priorities and expectations on this issue at the informal General Council meeting held on 4 October 2022 and we wish that our statement be reflected in the minutes of this formal meeting. Nigeria would continue to engage constructively with the membership on WTO reform to enable us

deliver results that would address simultaneously the longstanding development issues on the negotiating agenda of the WTO, and commercially meaningful issues that are of priority to the vast majority of WTO Members in this $21^{\rm st}$ century. We are confident that, collectively, we will undertake necessary WTO reforms that would revitalize the organization and enhance its role in global economic policymaking.

- 2.105. The representative of <u>Chinese Taipei</u> delivered the following statement:
- 2.106. On WTO reform, we are pleased to hear that Members are committed on constructive engagement in the WTO reform discussions. We believe it is of utmost importance to have a positive approach to listen to each other in a sympathetic manner, for frank discussions and for building trust. In this regard, we support a retreat-like event on the reform issues to warm up the discussion and to brainstorm the possible approaches to guide the reform process. On the structure and process of the reform discussions, we are flexible. Informal and institutionalized discussions as well as top-down and bottom-up approaches could complement each other. For the horizontal or cross-cutting topics, we welcome any dedicated sessions in the General Council or any special working groups to discuss these topics. On the scope of reform, we note that paragraph 3 of the MC12 Outcome Document expects "necessary reforms" to improve all functions of the WTO. Accordingly, all functions which need reforms should be considered. At this stage, we hope to explore all possible topics which are of interest to Members. But, of course, we have to bear in mind that we need to be realistic and pragmatic for the purpose of achieving concrete outcomes. We look forward to the brainstorming session at the end of this month or early next month.
- 2.107. On e-commerce moratorium and work programme, we thank you, Chair, for your efforts to consult Members on this issue. We believe that policy discussions and expert research, combined with practical experience from the industries, will help Members clarify and understand this issue better. We support your suggestion to hold dedicated discussions in the General Council to address the development dimension, the scope and definition of the moratorium, etc. We also echo your suggestion that Members should engage in pragmatic, efficient and evidence-based discussions. In addition, we support that the relevant WTO Bodies continue their work mandated by the Work Programme on Electronic Commerce to discuss topics of interest to Members, to share experiences, and to discuss the actual difficulties and challenges that Members face during the digital transformation, and to explore the way to effectively respond to and overcome the challenges. We stand ready to work with Members to find permanent and workable solutions to faithfully implement the Ministerial decisions.
- 2.108. The representative of <u>Uganda</u> delivered the following statement:
- 2.109. My delegation aligns itself with the statements delivered by the African, ACP and LDC Groups and wish to thank you for your report and the Director-General for her remarks. As many have highlighted, reform of the WTO is a necessary step to strengthening the rules-based multilateral trading system, and in ensuring that it is non-discriminatory, open, fair, inclusive, equitable and transparent. The substance and process of reform must be anchored on the principles and objectives set out in the Marrakesh Agreement establishing the WTO, including transparency, inclusiveness, consensus-based decision-making, and fairness and equity in the balance of WTO Members' rights and obligation. The process must foster better functioning of institutions across all pillars; create a level playing field and unlock development opportunities for all. Development has to form the axis of the WTO's reform agenda if we are to remedy the problems associated with implementation of special and differential treatment and provide for the requisite policy space that developing and least developed countries so badly need for the transformation of their economies and peoples. We agree with those who think the General Council should lead a structured process and welcome your proposal for an informal consultation where we must first of all seek a common understanding of what a 'fit for purpose' WTO would look like, and what it would take to effectively tackle the institutional challenges that the WTO is facing, including the imbalances in the rules that have impacted Members, particularly developing countries, and least developed countries from effectively contributing to the shaping of rules. We hope priority is given to addressing the challenges the Dispute Settlement System multilaterally, as well as to the improvement in the scheduling of meetings so that overlaps are avoided to enable more equitable participation by all delegations.
- 2.110. With regard to agenda items 2.B and 3, my delegation again aligns itself with the statements delivered by the African, ACP and LDC Groups and wish to thank you for your efforts towards the

objective of reinvigorating the Work Programme on Electronic Commerce in line with its development dimension. We hope this work will lead to structured discussions on all the issues within the scope of the Work Programme, including the question of customs duties and electronic transmissions, data localisation, data flows and source code. We must address the reality that countries are at different levels of development and readiness to engage in and benefit from the data-driven digital economy, with LDCs facing the greatest challenges in building their capacities to digitalize and add value to their data. If we are to truly address this digital divide, honest conversations must be had around the necessary flexibilities and policy space for development in the data-driven digital economy, as well as the requisite capacity building for digitalization that must include increased investment in the development of connectivity and data infrastructure and the promotion of digital entrepreneurship. With regard to the moratorium, we think that discussions on this issue should resolve long standing issues on the scope, definition and impact of the moratorium on customs duties on electronic transmissions on developing countries. One of the reasons developing and least-developed countries are keenly interested in this matter is that although the Addis Ababa Action Agenda on Financing for Development underscored the central role of domestic resource mobilization in achieving development, our countries continue to be disproportionately affected by multinational corporate profit shifting, which has greatly undercut our ability to mobilize domestic revenues to finance national development. The African Union Economic Commission for Africa High Level Panel on Illicit Financial Flows from Africa estimated Illicit Financial Flows from Africa at US Dollars 50-60 billion per year in 2015 which had increased to US Dollars 88.6 billion by 2020 and 65% of Illicit Financial Flows from Africa are due to commercial practices through trade and tax abuse by Multinational enterprises. There are entrenched systematic disadvantages for developing countries that contribute to asymmetries in global taxation, with the current rules best serving the interests of capitalexporting countries where Multinational enterprises are headquartered and failing to address the situation of capital-importing countries. The failure of international tax rules to keep up with changes in the global economy as a result of digitalization has created gaps in corporate taxation rules that are advantageously used of by multinational enterprises for fiscal extraction. The United Nations High Level Panel on International Financial Accountability, Transparency and Integrity for Achieving the 2030 Agenda found that gaps in existing global financial rules render them unfit for purpose and create a system that enables tax minimization practices and base erosion and profit shifting by Multinational enterprises away from countries where they generate wealth to offshore destinations where there is low or zero taxation. We hope the discussions around e-commerce and the moratorium will lead to a more favourable outcome for developing and least developed countries.

2.111. The representative of <u>Ecuador</u> delivered the following statement:

2.112. I express Ecuador's condolences to the United Kingdom on the passing of Her Majesty Queen Elizabeth II as well as to the Central African Republic for the passing of our colleague Ambassador Samba. I also extend a welcome to the new permanent representatives who are joining. I wish them every success in their work. I will refer here to agenda sub-item 2.A, i.e., WTO reform. Ecuador agrees with Members who expressed appreciation on what you highlighted in your report with regard to the need to move forward in the WTO reform process, in addressing the interests and concerns of all Members, seeking elements of consensus according to institutional practice and conducting this process in a dynamic, transparent and inclusive manner. The WTO and its predecessor the GATT had a well-known objective to facilitate the growth of international trade so that it facilitates global economic development in the context of current international relations. Better trade for the benefit to all was a principal foundation in establishing this Organization at the time. The idea was to decrease technical barriers to trade amongst other types of barriers to trade and that this be a mechanism which would solve disputes that arise between Members in the implementation of the WTO rules. This brief summary serves to recall from our delegation's perspective that the reform process should not lose sight of the original objectives of the WTO. We need to ensure that these are complied with as best possible, given the current international circumstances. Thus, implementing the commitments of Members in line with the needs and requirements of this century. In the current global context, which should be guiding our work can be characterized as we all know, first of all by the persistence of situations of low social and economic development in a large number of countries, risk of vulnerability due to a lack of food and threats to public health and the need to include essential environmental sustainability into the global agenda. The environmental crisis should push us to try to contribute to the objective of reversing the imbalance we see because of the climate crisis and its negative effects and the impacts of the natural environment and the loss of diversity in nature. Taking into account these specific realities of each group of countries, Ecuador believes that it is useful and appropriate to work in the various WTO bodies in a transparent and well-ordered manner and as a result of collective deliberations, feeding into the reforms.

- 2.113. The reactivation of the dispute settlement system which should be placed at the service of all Members at all its stages is undoubtedly one of the essential aspects of Members' efforts. We think that it is positive to undertake the exercise to exchange ideas that has been initiated at the US' request. We do trust that this initiative will lead to relevant outcomes in the various WTO bodies and will contribute to their work. We also hope that the consideration of any future reforms for the dispute settlement system will take into account factors the needs of developing countries such as Ecuador. There would need to be improved confidence not only in the system, in terms of dispute settlement, but in terms of effectiveness and efficiency of world trade as a whole. For us, it is clear that today's existing barriers prevent some countries to bring cases before the dispute settlement system. Whether logistical obstacles or the need for specialized legal representation, is tantamount to saying that this system does not work for all. In terms of rulings following a dispute, these do not take into account the asymmetries of economies and the profile of each Member in terms of global trade. Decisions on disputes or rulings that are difficult to implement or that may lead to indirect negative effects would not only be unrealistic but would also lead to the dysfunction of the multilateral trading system as a whole.
- 2.114. As we have said previously, the central factor of international relations that practically affects the entire current trading system is the conservation of the environment. Ecuador supports sustainable development as part of the reflections that are being undertaken with regard to WTO reform. However, the WTO should not lose sight from the central factor in terms of the global environment. There are specialized agencies and other efforts at the global level. While these fora can participate, there is a purpose and commitment that the WTO should take on. It is up to us, from a trade perspective, to provide a means to facilitate and comply with the multilaterally agreed environmental goals - avoiding solutions that impact developing countries or that these be adopted unilaterally. We support an inclusive and transparent agreement with regard to the macro aspects of WTO reform that cannot lose sight from what has been highlighted by other Members. There are very relevant issues that can be adopted without waiting for reforms in other more complex areas to be completed. Here, we would agree that the various WTO bodies and the Secretariat could identify various scenarios and specific measures, bearing in mind consensus, that can be agreed upon without delay and implemented immediately. In the same spirit and in order to ensure that our Organization can become more agile, we think it is appropriate to support Brazil's proposal - to organize Ministerial Conferences every year following the model of other international organizations, which are undertaken at the headquarters of these organizations at a time which is previously agreed, with sufficient time for preparation.

2.115. The representative of <u>Thailand</u> delivered the following statement:

- 2.116. Thank you, Chair, for the report that you have conducted on document JOB/GC/318, and we agree with your suggestions on how to move forward with the WTO reform. My delegation is still in listening mode for WTO reform, so we are open to considering the suggestions of Members, but there are important areas that need to be highlighted. First, the most important issue for us is the dispute settlement and appointment of Appellate Body members. Second, the WTO agenda should be expanded to be realistic. We can support including new issues especially food security and climate-related agendas. But we would like to mention that while we engage in additional issues, we want the WTO to focus on how trade can elevate or solve the difficulty in those areas. The WTO should stick to its mandate and not go too far from it. We would like to see more facts and analysis to put into our discussion on WTO reform. Members may have different views on this. Thailand is open to hearing from anyone who supports more evidence-based approaches. On the e-commerce moratorium, we have the same issue.
- 2.117. The representative of <u>Bangladesh</u> delivered the following statement:
- 2.118. We are grateful to all colleagues for their kind words to the departing Ambassador of Bangladesh H.E. Mustafizur Rahman. He is not present today, but he has conveyed his words of gratitude and appreciation to everyone, his fellow Permanent Representatives and delegates and the WTO Director-General with her full team in the Secretariat, for the cooperation, collegiality and camaraderie he enjoyed during his tenure in Geneva. Under this item Bangladesh aligns with the statement delivered by Djibouti on behalf of the LDCs. Bangladesh thanks the GC Chairperson and

the DG for their detailed reports. Under item 2.A, on the issue of WTO reform, as the LDC Coordinator has pointed out, Bangladesh also emphasizes the need to consider all the elements in the LDC Group's submission JOB/GC/223/Rev.1 and the MC12 Declaration of LDC Ministers in October 2021. Bangladesh thanks the GC Chair for his invitation to an informal consultation in this regard. My delegation has pointed out that the development dimension in the work of WTO and preserving its multilateral character should be at the heart of Reform discussion. The relevant subsidiary bodies under the GC of course can do their part but the consolidation of such discussion and finalization of any decision on WTO reform must take place in the General Council. My delegation has also pointed out that every Member in WTO is equally valuable, and no one should be left behind in the decisionmaking process. My delegation also suggests improving the process of committee and council meetings. In this regard we strongly recommend avoiding overlaps of meetings. We also suggest that detailed annotated agenda for every meeting must be circulated in advance. A factual report on the same day, immediately after the meeting, against every annotated agenda item will be immensely helpful in terms of the decision of the meeting in a few words. These are just some examples. My delegation also considers that Reform is not a single go approach and we need continuous work so that we make progress. In this regard, prioritizing the issue must respect consensus. Otherwise, some Members may feel the fear of exclusion and that is not the objective of the reform initiatives in the MC12 outcome document. In other words, both the process and the substance are important, however, Members must decide that priority in terms of what will come after what, with a clear set of principles. Chair, Bangladesh supports your proposal to hold an informal consultation very soon on the next steps. My delegation looks forward to working with all Members and the Chairs of different WTO bodies, on implementing the MC12 outcome issues related to WTO Reform.

2.119. The representative of the <u>Plurinational State of Bolivia</u> delivered the following statement:

2.120. We would like to convey our condolences to the Central African Republic and the UK and allows us also to welcome incoming Ambassadors and we wish every success to those who are leaving us. Chair, we thank you for the report you delivered today and at the Informal General Council meeting on 4 October. It is clear that Members have various different viewpoints in terms of what reforms mean but as you clearly said, there is a leitmotif, there is a need, we all believe, for a serious and shared debate reflecting the interests of all without prejudging a result. Bolivia on numerous occasions has stressed the need for reform across the board in the WTO and that this be done from the standpoint of all of us. We believe initially we should focus on the most urgent topics such as the functioning of the Appellate Body as well as effective special and differential treatment measures for developing countries, bearing in mind the asymmetry between Members. That said, as important as reform is, we need to work out the starting point, namely, how to undertake this and what route to adopt. We welcome all those who have called for a pragmatic approach. With this in mind, we believe that if the process is to be credible and beneficial it needs to work for the benefit of Members providing tools that enable all Members to participate in full transparency, enabling small delegations from developing countries to be able to fully participate in meetings with appropriate time to consult with capitals. It is also important that there be periodic information meetings to enable all to be stakeholders in the process. We also reiterate the importance of taking into account all contributions and inputs from various Members that may serve to enrich the substantive debate in a constructive spirit in order to yield a positive outcome. Bolivia wishes to once again express its desire and willingness to work together with other Members on this topic.

2.121. The representative of the <u>United Kingdom</u> delivered the following statement:

2.122. On Tuesday we spoke at length about using our time effectively to pursue WTO reform, particularly so technical experts can get on with identifying practical solutions. So, in line with your very clear direction Chair, I am not going to sit here and repeat the position we outlined less than 48 hours ago. Instead, we would like to request that our statement from Tuesday be submitted for the record of this meeting, and we will send that to the secretariat. We just wanted to focus on two areas where we heard something new and had an update this morning. Firstly, on e-commerce, we would like to thank you for your update and the focus that you have put on this really important issue. We welcome your proposed way forward. The UK remains committed to both the moratorium and reinvigorating the work programme as agreed by Ministers at MC12 and we look forward to engaging with you and all of the membership as this process moves forward. Secondly, we also wanted to thank the TRIPS Chair for his clear and helpful update on the active and constructive discussion taking place at the TRIPS Council. As WTO Members decide whether or not to extend the

TRIPS decision to COVID-19 therapeutics and diagnostics. We remain committed to advancing the discussions with the membership. Our research and consultation is still ongoing and this, particularly, includes exploring whether Intellectual Property rights are a barrier for countries seeking to access COVID-19 therapeutics and diagnostics. So far, evidence shows the critical role that the international Intellectual Property framework has played in the development and production of COVID-19 goods. It has provided legal certainty and confidence to investors, who have used it to form collaborative partnerships across the world which are built on trust and cooperation. So, at this stage, we just wanted to reiterate that the decision of the membership and our own deliberations on this topic should be fact based and really based on evidence, that will help us to assess the situation on the ground.

2.123. The representative of Indonesia delivered the following statement:

2.124. We are just two months away from the end of the year, and while we have achieved a lot during the MC12, two question remain. Have we delivered on our promises? And how can we ensure that the outcomes not only improve the relevance and legitimacy of the WTO, but also benefit all the people, cognizant of the different capacities of each Member? First, on the issue of WTO reform. Two days ago, Members have expressed a common understanding on the need of a reform despite diverging views on what the reform entails. While we agree with the sentiment that "there is no reform without change", such a reform should not undermine the foundational principles of the multilateral trading system, namely rules-based, non-discriminatory, open, fair, inclusive, equitable, and transparent, as well as consensus-based decision-making. Reform should also address continuing imbalances and asymmetries by putting development at the heart of the issue. Special and Differential Treatments for developing countries and LDCs, in this regard, must remain an integral part of the outcomes. Furthermore, Indonesia's main priority is to resolve the current impasse of the Appellate Body. We strongly urge that this issue should be at the forefront to maintain the relevance and credibility of this Organization. With regard to the process, Indonesia shares the view that without prejudice of the discussions conducted in the subsidiary bodies, the General Council should remain at the centre and any progress should be reported to the General Council to keep Members abreast. In this regard, we support the GC Chair's proposal to hold a dedicated session to discuss this matter in a more conducive and frank manner. Second, following the agreement reached by the Ministers on work programme on e-commerce, we should soon followup on our work in reaching a consensus on the scope, definition, and impact of customs duties. On this issue, Indonesia welcomes again the Chair's proposal to hold a dedicated session on this issue. And last but not least, with regard to the mandated issues on TRIPS waiver, fisheries subsidies, and agriculture, I will elaborate Indonesia's view under the relevant items.

2.125. The representative of <u>India</u> delivered the following statement:

2.126. This organization has already done two reforms in the past three months. That is, I'm referring to the 12th Ministerial, and the topmost reform was that the Ministerial delivered ten outcomes. So, whatever we are discussing, whether reforms should be one big bang or continuous, it is for all of us to see that the process has already started. So, no one should take a high moral ground in saying what it should be as it has already started. The second reform what WTO has already demonstrated is that what we have achieved in TRIPS is for WTO standard; it was the biggest reform because if I take the 2 October 2020 as the date of introduction of IP/C/W/669 proposal from India and South Africa and the 17 June 2022 as the decision by Ministers to approve part of it that is an outcome in less than two years. And achieving this is a big reform which I don't know why members are not able to acknowledge or not able to appreciate. So, I would only say that let us not make this reform a dialogue for market access, a reform for further creating the divide in imports and exports which is leading to all these balance of payments problems of 100 countries running towards IMF, let us in a true sense take reform as reform what we always say back in India is reform is to reform, perform and transform. One reform which can immediately done is if members agree today to increase the working hours of WTO, working hours in cumulative terms for the year. All of us are facing difficult situations, particularly Members not coming from Europe, will second me that summer vacations are for schoolboys and schoolgirls. So let us come out of this mindset of breaking for one and half months, then assembling, trying to break our neck with two and half months, then again starting planning for the holiday for 15 December, and then again planning to come back on 15 January. So, if we are able to do this reform today, we will be giving ourselves 25% more time to work to reform, to perform, and to transform.

2.127. Now coming on the agenda item, a few points. We already have, along with South Africa, presented the 778 papers with new co-sponsors now. It is Rev.5. So, we have given our, wish list of reforms from the developing countries, it is there on the table. We are willing to discuss it in any format, any configuration, any manner. What we do not want to do is that in the name of reform, the core values and the basic principles of the multilateral trading system should not be touched, and it should not be again fragmented in the name of plurilateral or joint statement initiatives. We also need to ensure that the proposed outcomes on reforms do not lead to change in the multilateral character of the WTO. On the process adopted, it should be again adopted by final recommendations with consensus before taking it for Ministers for endorsement at MC13. We should have a fair and inclusive process which by what might be undertaken no doubt by members in meetings of the subsidiary bodies, and the work of these bodies should be periodically taken back to the General Council, which some Members have also suggested here. And Members, all Members, whether they are participating in those meetings or not, should get detailed updates from the Chairs on all the tracks that are evolving in respective subsidiary bodies; even if a small group meeting is called, it would be better for the sake of transparency and to bring and build more trust into the system that the concerned Chair should brief it back to those Members who were not invited for such meetings. Second question is on necessary reforms again, quote-unquote 'necessary reforms', and while we have done a lot of bilateral consultation, India is thankful to you Chair for engaging with us in both formats in groups as well as in bilateral formats. There are divergent views on what are actually necessary reforms. So, our suggestion will be to bring the bouquet of necessary reforms, and it should be in the dedicated open-ended sessions of the General Council where the decision should be taken. Last point on reform I would just like to touch upon - a few Members have talked about participation with other stakeholders like the IT sector, intergovernmental organizations and others. My only request is that we should not change this Organization's Member-driven character because there is no doubt that all these participants who have participated in Public Forum can also interact with our respective governments. Our Members can take their views, their comments and get back into this room or any other Committee meeting and say that what their private sector had said to them. Therefore, we are discussing among Members, but it would be very difficult in this kind of Organization or for that matter other international organizations to then have against on selective basis participation of few private sector representatives and it will be very difficult to accommodate all because we are seeing that resources are running out of this Organization.

2.128. The representative of <u>Japan</u> delivered the following statement:

2.129. On WTO reform, we appreciate the proposal by the Chair. In order to avoid abstract discussions and to achieve concrete outcomes, we consider it effective to work at the respective subsidiary bodies for improving and strengthening their functions. Efforts could be made, for example, through introducing knowledge and insight from the private sector and external organizations, or through facilitating effective exchanges on Members' measures although this is the Member-driven organization. Of course, the substantive discussion and decisions must be done by the Members. It is appropriate that the General Council plays the role of overseeing and guiding the initiatives in subsidiary bodies, as well as dealing with cross-cutting issues. In this regard, we should re-vitalize the work of horizontal nature at the Committee on Trade and Environment (CTE) and the Committee on Trade and Development (CTD). We welcome the initiative by the Chair to organize informal conversation on various issues of interest of Members on WTO reform, including retreat style. We expect this initiative would help Members to mutually deepen understanding on the issues of interest, including such aspect as the level of convergence or divergence among Members, and whether amendments of current agreements are implied or not. On Dispute Settlement reform, we support the idea of proceeding with the current informal initiative led by Members for the time being, with a view to connecting it to a formal process in the coming year. I also would like to touch upon the Work Programme on Electronic Commerce. Japan welcomes the achievement of the extension of the Moratorium on Customs Duties and the reinvigoration of the Work Programme on Electronic Commerce at MC12. Japan strongly believes that we should continue maintaining our current multilateral practice of the moratorium, with the intention of making it permanent. We also recognize that the discussion on the Moratorium on Customs Duties will continue under the Work Programme. Japan will constructively engage in that discussion. Japan understands that the Moratorium on Custom Duties has assured a free trade environment and a sound development of e-commerce. We would like to stress that the moratorium has provided certainty and predictability in digital trade for both consumers and businesses, including MSMEs doing business in global manufacturing value chains. Lastly, given the horizontal nature of the Moratorium on Customs Duties and Work Programme, we believe that the General Council is the right place to discuss these topics, unless Members find specific topics that fall under certain Committees or Councils.

- 2.130. The representative of <u>Mauritius</u> delivered the following statement:
- 2.131. Let us first offer the condolences of Mauritius to the United Kingdom on the passing of the Queen and to the Ambassador of Thailand following the mass shooting this morning. We mourn the loss of Ambassador Samba. We share the grief of the Central African Republic, and we remember that beyond he has been our dean. Many others have lost a brother and an elder. We welcome the presence of the Ministers from Cameroon, the UAE and Mexico. We also welcome colleagues who joined us in Geneva and wish them the very best. We also wish the very best to Ambassador Rashidi, Ambassador Chad and Ambassador Santiago as they go forward. We will miss them.
- 2.132. Turning to the issue at hand, the Mauritius delegation would like associate itself with the statement made by Ambassador of Cameroon on behalf of the African Group and the Ambassador of Kenya on behalf of the ACP countries. On reform, I start with the objectives, transparent and inclusive which everybody has repeated. We expect the process to be guided by these two objectives. The first step from our perspective should be to try to identify issues and agree on what needs to be taken forward as part as the reform process. There is a lot of material on many tables and many sub-committees already and I think we need to bring these together in a dedicated session or starting with discussions. But we need to think of what, in all the issues that we put on the table, will have a direct impact on the functioning of the WTO because there will be a tendency to put a lot of things on the table. Secondly, how we will make good use of the time of the membership. How we inform Members better and how we facilitate the understanding of Members as we go forward particularly during negotiations and try to unravel the complexities of issues at hand. When I talk of good use of time of the membership, I was thinking more in line of what you always say to us, your constant plea for us to make good use of discussion time. A little bit less than what Ambassador Brajendra was suggesting. I certainly can understand his feeling about the need to have longer hours to discuss and the need, maybe to have shorter breaks but many delegations never have a break when they finish with the WTO, they start with the UN and Human Rights Council so it can be a little bit challenging for the smaller delegations to think of those longer working hours. As I say, we stand ready to consider whatever he can suggest on that one. The second step on the reform process to us is the starting of the negotiations. There I would like to echo the feeling of many delegations that we should bear in mind the constraints of smaller delegations and their ability to participate in this. Third, on the outcome, this must not only be the result of a consensual approach and consensus, but it must also be practical in nature. We must remain rooted all the time in practicability so that whatever we formulate as reform proposals can actually be implemented. On this one, the language should not only be direct and practical, we should also be owning the language that we come up with. We should own the outcome as well as the implementation process so that no-one feels that issues of importance to them have not been addressed. Turning to the issue of E-Commerce, there are two steps to this. On the first one, what you have mentioned I think we agree that the development dimension and the development objective should guide our discussions on this. We agree with your proposal that there should be a dedicated GC session on this issue. We also agree with the idea of a facilitator for E-Commerce. We further support the proposal for an analytical study as suggested by China and us amended or bearing in mind the proposals made by Nigeria in this direction.
- 2.133. On the second step, I would like to share something around connectivity. Last week those of us who were in Budapest heard only one mantra which is "connecting the unconnected". Today even us we go forward to discuss e-commerce we know that one-third of humanity is not even able to join. This question of e-commerce and we need to do something about that. Now it is not for the WTO alone to do this or try to do it, it is for institutions working together in a coherent manner to address how to make the unconnected become connected. But I was thinking that we should not forget the value of Aid for Trade and what this can bring to this discussion. The other thing I was thinking about was that the Public Forum as we see it, because it is a discussion that takes place in our house and brings some interesting people into the house and last week, we saw the DG talking to the FIFA people about solidarity and this is where an appeal could be made for solidarity in addressing some of these global issues. I want to recall that next year at the Summit of the Future in September, the WTO will also have to show what contribution it can make to the digital global compact. I think we need to have a discussion on this side by side with what we do on e-commerce.

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

2.135. On WTO reform, Korea would like to have on record its last statement made at the Informal General Council on the 4 October. As for E-commerce, Korea thanks you, Chair, for your leadership in addressing this longstanding issue. First and foremost, Korea would like to reiterate the importance of the permanent extension of the moratorium as early as possible, which would be another showcase for WTO Reform already working. My delegation support Chair's way forward, and support suggestion to hold a dedicated discussion in the General Council, including on the moratorium as a horizontal issue. With regard to the work programme on e-commerce, we are ready to discuss best ways to address the needs of LDCs and developing countries and we believe sharing policy experiences, best practices and lessons learned from the growing digital trade would be the first step to address the development dimension. Considering the complexity of the issue, we stress the importance of involving various stakeholders including experts from relevant organizations, as well as businesses and consumers, so that discussions can substantially reflect all dimensions and the real sense of the issue.

2.136. The representative of <u>Ukraine</u> delivered the following statement:

2.137. Ukraine welcomes the opportunity to reiterate its readiness to engage constructively with the interested Members in order to provide effective implementation of meaningful MC12 outcomes on urgent international trade issues, inter alia, emergency response to food insecurity and WTO reform. Unfortunately, today we are witnessing a new wave of escalation of the Russian armed aggression - partial mobilization, pseudo-referendums in Kherson, Zaporizhzhia, Luhansk and Donetsk regions of Ukraine which will lead to an expansion of the scale of the war against Ukraine, with even more devastating consequences both for the European continent and for the whole world. We have heard additional portion of lies and mystification from Russian representatives, even more weak attempts to establish Kremlin's censorship in this Organization. Not in any way. Russia's war on Ukraine becomes one of the main causes of a global food crisis that could bring serious political and economic consequences for the whole world and especially for LDCs. The war has multiple implications for global agricultural markets through the channels of trade, production, and prices, casting a shadow over the state of food security and nutrition for many countries in the near future. There was lot of evidence that the Russian Federation was stealing the grain from Ukraine to sell it for profit. Despite the horrors of the war, Ukraine takes steps to demonstrate its commitment to the fundamental international rules and is doing its best to maintain stable supply to the international agricultural markets. Ukraine sees the Black Sea Grain Initiative under the auspices of the United Nations as an important tool for this, on the implementation of which we will continue to work with allies and partners to ensure the continuation of the Agreement. Since the "grain corridor" has become operational increased supply of Ukrainian grain to the international market resulted in a gradual decrease in world cereals and food prices. We urge the recipient countries of Ukrainian agricultural products to demand from the Russian Federation not to interfere with the functioning of the "grain corridor" and to continue its operation. We are sure that this is reasonable and fully complies with the Declaration on the emergency response to food insecurity. Despite the neutrality of the text of the declaration, its provisions clearly reflect the root of the current crisis. In conclusion, we reiterate our gratitude to our partners for their unwavering support and call on WTO Members to make every effort in order to limit Russia's ability to wage devastating war, undermine the multilateral trading system and effective implementation of MC 12 outcomes.

2.138. The representative of <u>Peru</u> delivered the following statement:

2.139. Chair, we welcome your leadership on reform. I refer to our previous statement made on this matter. On e-commerce, Peru has a longstanding position with regard to its unequivocal support for a permanent moratorium on the imposition of customs duties on electronic transmissions. We are of the view that this moratorium contributes to the development of the digital economy and to e-commerce. In our country, this moratorium has had a very positive impact particularly on our small and medium sized enterprises. However, we also think that it is important to respond to the concerns expressed by certain Members. In this context, we would welcome discussions on the costs and benefits. We support the possibility of having dedicated discussions as well as hearing presentations from experts so that Members are able to be better informed. This way, we can take better decisions based on data and not on assumptions which are not based on concrete evidence.

2.140. The representative of Botswana provided the following statement:

- 2.141. We thank you Chair for your reports on the WTO Reform and Work Programme on Electronic Commerce. On the WTO reform, my delegation believes that preserving the foundational principles of the WTO is important, to reflect the diversity in membership, hence the WTO reform that takes into account differences in levels of development, also promoting the integration of developing countries especially Least-Developed Countries (LDCs) and Landlocked Developing Countries into the global trading system will be very critical. Allow me to make reference to paragraph 9 of the MC12 outcome document which recognizes the challenges of the LLDCs and the instructive decision for the Committee on Trade Facilitation to continue holding dedicated sessions on transit issues until the next review of the Trade Facilitation Agreement. In this regard, Botswana supports that the WTO reform must adopt a development-oriented approach that is transparent and inclusive. Botswana believes that negotiations on WTO reform must ensure that the process is transparent and inclusive. As a Landlocked developing Country, we continue to stress the need to ensure the outcome of reform discussions provides for the necessary policy space needed for developing countries for their structural transformation, economic diversification and industrialization. With regards to the Work Programme on Electronic Commerce, my delegation believes that e-commerce has proven to be an enabler to keep trade activities going and as such, important for inclusive economic growth, this was even more evident during the outbreak of the COVID-19 pandemic. While we support the urgent need for these discussions, it is importance to address the issues on the scope, definition and impact of the moratorium on customs duties. Botswana is committed to creating an environment that supports e-commerce, this is part of the country's transformational agenda that defines Botswana's aspirations and goals to diversify our economy, overcome trade constraints and bottlenecks and harness the capacities of the Botswana people. We remain committed to constructively engaging in these discussions to find a common ground.
- 2.142. The <u>Chair</u> thanked Members for their contributions in the discussion. He understood that Members were in broad agreement on the proposals he had made under this item and would proceed accordingly.
- 2.143. The General Council <u>took note</u> of the Chair's statement, the statement of the TRIPS Council Chair and of the other statements made.

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

- 3.1. The representative of <u>India</u> delivered the following statement:
- 3.2. I would like to draw Members' attention, through you on the phrase used here that is rejuvenation, because we thought that for the last 22 years, we are trying for the reinvigoration of the Work Programme. It failed, so maybe this new phrase may work, and it has already started working, as a lot of Members, especially the non-proponents of the Work Programme have in their statements either delivered on 4 October or today have very clearly said that they are in favour of starting the work on the Work Programme along with the developmental dimensions. For us, the guidance in MC12 on this subject, that is the Work Programme on Electronic Commerce and the moratorium on customs duty on electronic transmission was absolutely clear. What we have heard is that Ministers agreed that the moratorium will end by 31 December 2023 or at most by 31 March 2024. We clearly heard Ministers from Member countries in different configurations and in the small group meetings, who are proponents of the moratorium, saying that this extension of the moratorium is mainly intended to prepare the global industry for the post-2023 operating conditions. The Ministerial decision also made it clear that the Work Programme on Electronic Commerce must be at the centre stage in the WTO. We see the moratorium and the Work Programme as different verticals, not dependent on each other. To this end, Chair, we have had a series of bilateral and small group discussions since the conclusion of MC12. We thank you again for calling us in different configurations, both in a bilateral manner as well as in a group configuration. My delegation would like to acknowledge the constructive and collaborative approach taken by all Members, including the developed countries who are the proponents of the moratorium. These consultations showed that there is a very broad scope of learning from each other in this Organization when all of us take a step forward to reach out.
- 3.3. India and South Africa have been seeking the rejuvenation of the Work Programme, and at this stage. We are proposing some specific ideas today as the first step, India would like to propose

a special session of the General Council to discuss cross-cutting issues related to e-commerce. Some of the initial ideas which may be added or deleted by other Members. I will list out that I say trust in digital commerce and when I say trust in digital commerce, one of the topics that come to mind is best practices related to consumer awareness. The second relates to trust in digital commerce and the best national legislative practices on consumer rights. The third one is on public digital infrastructure, which is using National Digital utilities to bridge the digital divide and drive e-commerce adoption. The fourth one is on trade automation, and when I say trade automation, it is, sharing best national practices in digital trade facilitation, including the use of electronic signatures and digital payments. We can start these discussions in the General Council; they may be further undertaken in respective WTO bodies, which carry the mandate for such discussions as per the 1998 guidance. These bodies include the CTG, CTS, Council for TRIPS and the Committee on Trade and Development. India and South Africa have already presented a joint paper in November 2021 in the Committee on Trade and Development (WT/COMTD/264), and we will use this paper as the basis to kick-start the discussion in the Committee. In our bilateral discussions, we have also stressed that the proponents of the moratorium must explain their understanding of the scope and definition to which this moratorium applies. It is extremely important to build a common understanding of the subject, any study, which will be undertaken either collectively, by individual Members or by some independent organizations. They also would need that clarity. This discussion should also take place in a special session of the General Council once the proponents of the moratorium are ready with their views on this subject. And then, we look forward to content-rich conversations. We have given some ideas which will especially help developing countries use the full power of technology to drive economic productivity, participate in global trade flows and alleviate poverty.

3.4. The representative of <u>Sri Lanka</u> delivered the following statement:

- 3.5. The original decision and mandates on the Work Programme on Electronic Commerce (WP) are very elaborative and comprehensive requiring all concerned bodies in the WTO to undertake the specified work, while the General Council has been entrusted to oversee the progress in realizing the desired results. The Decision in the form of a moratorium on imposition of customs duties was required as there was not much clarity in respect of the scope and definition of the electronic transmissions and lack of technical adaptation and capacity within the countries for recovering the customs duties electronic transmissions. Over the years, though some countries have overcome such lack of technical adaptation and capacity within the countries for recovering the customs duties on electronic transmissions (ET), the progress in not even. Further, Members have still failed to adopt precise definitions and scope of the Electronic Transmissions, whether duties shall be levied only on content, on carrier media or on both. In view of the above, there is an urgent need to reinvigorate the WP while taking more work on the scope and definition on priority basis. Therefore, Members should support the reinvigoration of work, in particular the development aspects of the Work Programme. We are happy to note that as you have stated there are positive indications that all Members are ready to reiterate their commitment in attaining it. It is equally important to note that this Work Programme was about how E-Commerce is treated in the context of existing WTO Agreements (GATT, GATS, TRIPS, Development CTD work). In terms of themes that may offer more clarity on the scope and definition of the moratorium, it is essential to look at the current practices and agree whether ET is to be classified as a good or a service, including what component of ET shall be subject to custom duty exemption. Developmental concerns, including revenue losses and policy space for pursuing digital industrialisation, technology transfers are also important aspects that need to figure prominently in the forthcoming discussions.
- 3.6. The latest Ministerial Decision at MC12, particularly on the moratorium, is to prepare the e-commerce industry led by the private sector to get adjusted to accepting the imposition of customs duties, when they are required by the developing countries. Members only agreed to extend it on the understanding that demandeurs would be granted some time to adapt to the possibility that some Members may introduce customs duties on electronic transmissions to promote policy measures on domestic revenue mobilization, and the development of the domestic digital industry with the sole objective of bridging the digital gap and attaining digital industrialization. The increasing pressures by the demandeurs of the moratorium and big corporate lobbyists at the WTO Public Forum last week demonstrated how important this moratorium is for big tech and on the other hand developing countries need to urgently maintain the momentum to end the moratorium to create fiscal and regulatory space to regulate the growing imports of digitizable products. The General Council should consider in more detail the following issues relating to the

moratorium in the reinvigoration process. Whether original decision on moratorium on customs duties covers only the Ordinary Customs Duties within the meaning of Article II:1(a) and II:1(b) of the GATT 1994, or does it also cover Other Duties & Charges (ODCs), within the meaning of Article II:1(b) of the GATT 1994; impact on tariff revenues based on the clarifications sought; impact on countries' internal taxation systems (some Members charge internal taxes alongside tariff revenues for goods); the inadvertent opening up of the domestic market through the moratorium. This can have a major impact on countries' potential to industrialize since domestic markets will be opened. This will be done in the following ways. Tariffs provide protection for domestic industries. This protection disappears when goods are digitally transmitted at zero tariffs. Domestic services sectors are also protected through Members' GATS market access limitations. However, digitally transmitted services can bypass Members' market access limitations. Finally, Sri Lanka does not favour commissioning any further studies at this juncture, but Members can bring their own empirical evidence to project the type of impacts the existing decision has brought so far.

- 3.7. The representative of <u>Antigua and Barbuda</u>, <u>on behalf of CARICOM</u>, delivered the following statement:
- 3.8. I take the floor on behalf of the CARICOM Group and would like to take up items 2.B and 3 together. Thank you for your statements on the Work Programme on Electronic Commerce both today and during the informal meeting of the General Council earlier this week. Given that the Group outlined perspectives on this subject at the informal meeting, which we would like reflected in the official record of this formal meeting, our comments today will be brief. The CARICOM Group welcomes and stands ready to contribute to concerted efforts to rejuvenate the Work Programme on Electronic Commerce. We acknowledge that a lack of clarity or progress on questions relating to the moratorium on customs duties on electronic transmissions has undermined efforts to date to reinvigorate the Work Programme as a whole. We are of the view that fresh, good-faith approaches would be critical if we are to avoid another impasse on this matter at MC13. Nevertheless, for us, the moratorium is but one element of the Work Programme and the membership's engagement with work under the Work Programme in the period ahead should reflect this reality. Thank you for the insights shared on your consultations, as well as the suggestions outlined on how we could engage with our MC12 mandate in the General Council and in the relevant Committees in the period ahead. We are considering ways in which we could contribute meaningfully to this process. The CARICOM Group also reiterates its interest in participating in the elaboration of a list of issues to focus the membership's engagement between now and MC13. We wish to re-emphasize that issues related to the development dimension should feature prominently on such a list. For example, given the important potential of robust digital payment systems and other digital solutions for improving business and trade facilitation in the developing countries of our region, we are of the view that engagement by the membership on this topic could prove useful. Finally, in acknowledgement of the limited remit of the WTO on some matters related to electronic commerce, we would be open to engaging experts from the relevant international organizations and entities from the private sector as part of our discussions under the Work Programme.
- 3.9. The representative of <u>Indonesia</u> delivered the following statement:
- 3.10. We all agree that digital trade promises new opportunities and will be the future of modern trading. Electronic commerce will be able to expand new markets, users, and goods, beyond the conventional commerce that we have been using so far. It has become an important driver of economic growth and development both for developed and developing countries. However, challenges still exist when dealing with digital trade issues and new ones continue to develop every day. In addition, disparities and imbalances still hinder many Members from enjoying the full benefits of e-commerce. Therefore, based on the 1998 mandate to establish a comprehensive Work Programme to examine all trade-related issues arising from global e-commerce, Indonesia remains determined to work with other Members in creating an outcome that is acceptable to all. As we have stated in previous meetings, the reinvigoration of work under the Work Programme on E-Commerce should be one of the priorities of the WTO. The discussions to reach clarity and consensus on the scope, definition, and impact of customs duties, especially to developing countries and LDCs, would be imperative prior to agreeing on any course of actions. In conclusion, Indonesia would like to emphasize once again that the discussion of future trade rules in e-commerce through a constructive framework, must be built on the principles of inclusivity, trust, and fairness to create an equal level of playing field based on Members' level of development.

- 3.11. The representative of the United States delivered the following statement:
- 3.12. I feel this is like a good news, bad news situation here. The good news being that there seems to be a willingness to work on the Work Programme as we all agreed reinvigorate, rejuvenate that works for me. The bad news being that I think we all have very different understandings of what we are doing and what the goal is. I am going to stick with the good news. I am going to keep just focusing on the fact that Members have expressed a willingness to look at new issues and discuss new topics. We look forward to working with Members to find topics that allow us to have a robust conversation about the potential of the digital economy, particularly for developing Members and that is what we want to do starting as soon as possible. As alluded by the delegate from Sri Lanka, we have been reaching out to a wide variety of Members because we do want to make sure that we have a conversation in a work programme that addresses the anxieties that everybody has and brings up the information that we all need.
- 3.13. We thank India for sharing the proposal today. I think I missed one of the topics, but I am sure I will revert to the paper that he alluded to. Consumer protection and trust topics seem to be very relevant to a broad range of Members and ripe for discussion under the Work Programme. We also recognize the importance of discussing the topics on the moratorium as instructed by our Ministers and supported by many Members. Here I will add that, I guess it depends on how you define proponents, but I do not believe it is correct to say, at least from the conversations that I have participated in, that it is correct to say that proponents are just developed countries. I think I have heard a number of developing country Members and also developing country Member stakeholders express support for the moratorium and for the work in this phase. I wish we would get out of the habit of just saying that this is developed versus developing countries because I do not think it is. It is not just about big tech, it is about many small and medium-sized companies that have benefited greatly, particularly during the pandemic. Again, I participated in various conversations during the Public Forum where that message was sent loud and clear from stakeholders from developing country Members as well as developed countries. I will dwell on the good news. We stand ready to work with India and all of the Members on continuing to identify topics for the Work Programme, so that we can secure consensus and we can commence to work expeditiously on reinvigorating or rejuvenating the Work Programme.
- 3.14. The representative of <u>Cameroon</u>, <u>on behalf of the African Group</u>, delivered the following statement:
- 3.15. Since we made a detailed statement on the Work Programme on Electronic Commerce (WPEC) at the Informal GC meeting of 4 October, and in the interest of time, we refer to out statement at the Informal GC meeting and request that it be included into the formal record of this meeting. We would like to thank you for the consultations you have conducted and the detailed report you provided on 4 October. For the African Group, it is critical that trade policy instruments contribute to the continent's developmental agenda. this includes digital industrialization. We support structured discussions in the General Council on the WPEC as well as reinvigoration of work under the CTD, CTD, CTS and TRIPS Council as envisaged in the 1998 mandate and reconfirmed by Ministers at MC12. Where the moratorium is concerned, we note the decision reached by Ministers at MC12 in paragraph 3 of the ministerial decision on the WPEC. The African Group stands ready to engage constructively on this important issue.
- 3.16. The representative of the <u>European Union</u> delivered the following statement:
- 3.17. The EU had not planned to intervene under this agenda item, since e-commerce was already discussed under agenda item 2.B. And, incidentally, we would urge Members to carefully consider before introducing duplicating items in the General Council agenda, while not providing in advance any information as to what they will seek to discuss. But what I want to react to, is the interpretation that some Members provide under this agenda item seemingly on behalf of all of what was agreed in MC12 when it comes to the e-commerce moratorium. Contrary to what some claimed yesterday, our Ministers did not agree that the moratorium would expire. And we did not agree that the MC12 decision is only for the industry to prepare itself for the alleged fact that customs duties on e-transmissions would follow. What we agreed, is that the moratorium will expire, unless our Ministers take a decision to extend it at MC13. The EU ask Members to refrain from misinterpreting Ministerial Decisions and pre-empting future Decisions that our Ministers might take. The extension of the moratorium remains a key priority for many WTO Members, not only for the developed ones.

Yesterday we heard a number of developing countries express support for this extension. Moreover, we have heard a lot from the business community on this topic. However, we invite Members to work together to implement the MC12 decision as agreed – by reinvigorating the e-commerce Work Programme and addressing the issues related to digital trade and the moratorium specifically, especially the development dimension of e-commerce. We thank you, Chair, for proposing a good way forward under the previous agenda items. We thank India for sharing their views on some specific topics that could be considered. We are ready to consider those and other topics that Members are interested in bringing up for our further well-structured discussions in the dedicated e-commerce Work Programme sessions or other structures that we already have in the WTO.

3.18. The representative of the <u>Russian Federation</u> delivered the following statement:

3.19. The Russian Federation always advocated the exceptional importance of the electronic commerce and the benefit of relevant discussions on all possible platforms. We have an MC12 mandate to intensify discussions on the moratorium to impose customs duties on electronic transmissions, especially on its development dimension. No doubt, we should start this work well in advance of the next Ministerial. My delegation maintains its position on the need for a permanent moratorium for the sake of predictability of digital trade. We see that so far, Members do not have a common understanding of the basis of this moratorium. We believe that in order to reach a compromise, it is necessary to discuss all sensitive issues and arrive at a mutual understanding through negotiations. Russia always supported the multilateral format of any WTO work process. That is why we welcome the proposal of India and South Africa on "rejuvenation" of the Working Programme. Its mandate provides us with an opportunity to talk about different aspects of e-commerce. In the past, WTO bodies had discussed them. At the same time, the specificity of e-commerce is that it is constantly changing and improving. Technology does not stand still, as well as the national regulations in the digital sphere. We believe that Members can have a forwardlooking dialogue based on their recent experience and practices at the national level, international activities and similar discussions on other tracks. Russia is ready to participate actively in future discussions.

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

- 3.21. The South African and Indian delegations have been consistent on the importance of Work Programme on e-commerce and the need for structured discussions in the General Council. Therefore, we welcome the MC12 Ministerial Declaration on Work Programme in which Ministers agreed to "reinvigorate the work under the Work Programme on Electronic Commerce (WPEC), based on the mandate as set out in WT/L/274 and particularly in line with its development dimension". The development mandate entailed in the Work Programme and its potential role in contributing to inclusive and equitable development of e-commerce remains important. While we recognize the important contribution of e-commerce, we also note that its benefits are not spread equitably. The four subsidiary bodies were thus assigned specific responsibilities that require our attention. We welcome your report on the readiness of the membership to fully engage with the WPEC and for the recognition that the development issues will need to be addressed horizontally to make progress. The Work Programme includes various issues to be examined, taking into account the implications for developing countries. Such discussions should be sensitive to the needs of developing countries to be effective participants in the digital economy from a productive capacity point of view. To achieve this, there should be a concerted effort to find strategies to support developing countries in their participation in e-commerce, including in terms of access to cutting edge technology that is indispensable to the digital economy.
- 3.22. Data is critical to the digital revolution and the question is what kinds of data strategies can be implemented by developing countries so that their firms can also enter into the data industry: data analytics mining and processing of data, and thus also supply data-driven industrial products and services? The G20 is discussing the concept of data for development, and this is an important concept if we are to have equitable benefits. Monopolies and restrictive business practices pose obstacles to electronic commerce, and these need further examination. The Work Programme could tackle these issues, including by exploring whether competition clauses in the GATS can be used to address increasing concentration. We are doing our bit to revive the work as indicated in our statement in the Informal GC meeting, we will be submitting a proposal in the subsidiary bodies beyond the CTD. We believe the Work Programme can be reinvigorated on the basis of the existing mandate and the proposals tabled by Members. The 1998 mandate speaks to periodic reviews in the

General Council and we would like to see this element enhanced. In addition, the General Council is expected to take up consideration of any trade-related issue of a cross-cutting nature. All aspects of the Work Programme concerning the imposition of customs duties on electronic transmission shall be examined in the General Council. On the ET moratorium I made our position clear in the Informal GC meeting as we believe, paragraph 3 of the MC12 Ministerial Decision on the Work Programme is instructive. Finally, we are supportive of the idea of having thematic discussions in special sessions of the General Council.

- 3.23. The representative of <u>Japan</u> delivered the following statement:
- 3.24. I would like to register one point for the record. With regard to possible termination of the moratorium, what we commonly have among the membership is what we agreed upon at MC12. So, building on what we agreed upon at MC12, our understanding is, as the Ambassador of the European Union just mentioned, that our Ministers will discuss how this moratorium will be treated in the future. This is just for the record.
- 3.25. The representative of <u>Jamaica</u> delivered the following statement:
- 3.26. This statement is being delivered in relation to agenda items 2.B and 3. Jamaica thanks you for your report. We also thank the delegations of India and South Africa for their joint contribution to the debate. At the 12th WTO Ministerial Conference, after extensive negotiations, our Ministers adopted a Decision on the Work Programme on Electronic Commerce. We agreed to reinvigorate our work as set out in WT/L/274 and particularly in line with its development dimension. The adoption of this Decision is a clear indication of the high level of priority to which all delegations attach to this issue. As the dust continues to settle post MC12, Jamaica welcomes the consultations being undertaken by the General Council Chair to explore how best to implement this Decision. The COVID-19 pandemic has helped to induce a surge in ecommerce and online transaction. UNCTAD is reporting that more businesses and consumers are providing and purchasing goods and services online, raising e-commerce's share of global trade from 14% in 2019 to about 17% in 2020. This growing trend is expected to continue in an upward trajectory. Jamaica, therefore, believes that a re-invigoration of the Work Programme is an effective medium through which the WTO can assist in closing the digital divide within and among WTO members. Given the cross-cutting nature of this issue, our discussions could also benefit from the insights and perspectives of experts, the private sector and multilateral organizations dealing with e-commerce. We need to thoroughly understand the institutional framework, landscape, challenges, solutions and opportunities for developing countries seeking to successfully integrate themselves into e-commerce and digital trade. These critical discussions on e-commerce should take place in a multilateral format. The development dimension of the Work Programme has a significant role to play in the economic development of small developing countries like Jamaica and must be pursued diligently in the WTO. Some of the issues which should be explored include data flow, data localization, source code, digital skills and infrastructure in the developing countries. Jamaica looks forward to engaging with Members on this matter. On the matter of the moratorium, we have taken note of Ministers' mandate to intensify discussions and the call for the General Council to hold period reviews based on reports including on scope, definitions and impact of mortarium of customs duties on electronic transmission. Jamaica offers its continued support to this approach and call on members to brainstorm additional creative ideas to help move our work forward. We must exercise a high level of pragmatism in our deliberations on the imposition of custom duties bearing in mind the proposed timeline and approach outlined in the decision. Jamaica stands ready to contribute to the ongoing process and will engage constructively with members on this matter. Jamaica aligns its self with the statement delivered by Kenya, on behalf of the ACP, and Antigua and Barbuda on behalf of the CARICOM Group.
- 3.27. The representative of <u>Switzerland</u> delivered the following statement:
- 3.28. Switzerland thanks India and South Africa for their comments regarding the Work Programme on Electronic Commerce and the moratorium. We take note of the insights offered today and invite Members to consider them within the framework that you have proposed, rather than under an additional item on the General Council's agenda. As for the moratorium, it goes without saying that Switzerland considers the decision taken during MC12 holistically, and not in a piecemeal fashion. This decision specifies an expiration date for the moratorium, unless Ministers or the General Council decide otherwise. In this regard, we echo the statements made just now by the European Union and Japan.

- 3.29. The representative of Pakistan delivered the following statement:
- 3.30. Pakistan wishes to thank the delegations of India and South Africa for keeping this item on the agenda. We wish to recall our previous statements on the matter and to reiterate that the General Council must reinvigorate the structured discussions on various aspects of electronic commerce as has long been mandated by the WT/L/274. Pakistan would like to refer to un-numbered paragraphs 1 and 2 of the MC12 Decision WT/MIN(22)/W/23 and stress the fact that rejuvenation of the Work Programme and moratorium are mutually exclusive and thus be dealt with separately. Pakistan would like to emphasize that many social and economic needs of people in developing and LDC members go unaddressed due to the tight fiscal position that these countries mostly live with these days many other countries would also be in a position to empathize with this. There exists ample evidence-based research in form of studies and papers from reputed international organizations which highlight the costs borne by the developing countries as a direct consequence of the moratorium. Pakistan would like to stress the need for a permanent decision on the moratorium since transparency and predictability are cornerstones of the multilateral trading system.
- 3.31. The representative of <u>Brazil</u> delivered the following statement:
- 3.32. Brazil welcomes the MC12 Decision to renew the moratorium on customs duties and we are ready to contribute to the reinvigoration of the Work Programme in line with its development dimension by sharing some of our success stories in areas that are important neighbours of e-commerce such as e-payments and digital trade facilitation. By exchanging views and experiences on challenges related to the digital divide, competition and digital markets and taxation of the digital economy. Brazil would favour, in principle, to have discussions on aspects of the moratorium under the General Council. But we are openminded with regards to the format of these discussions which would depend on the content of specific proposals presented by Members.
- 3.33. The representative of <u>Panama</u> delivered the following statement:
- 3.34. I would like to thank you for the very detailed reports that we have received, not only at this meeting of the General Council, but also informally as well. These have given a very good and extensive run down of your consultations. We want to look at the implications of these various matters and we want to look at the various details of electronic commerce, so that we can fully understand what it is at stake. We have to remain objective to help us reach decisions. We believe that there might be a bit of a tendency to call for new discussions and new studies to be done perhaps in an attempt to exhaust all these discussions and studies but that will never happen. I think on this matter, we believe this is developing quicker than we perhaps realize and can grasp. That does not mean that we should not look at the consequences and the implications of these important issues but there comes a point when we have to move to action. As we have said a number of times in the past at General Council meetings, we have to change the way in which we tackle these things. We have to change the speed in which we do that. We cannot just see this as a cycle of discussions. There comes a point when we actually have to come up with recommendations and we have to take decisions. For that, we have to see an important change in the declarations that we are doing and the way in which we interact or do not interact perhaps would be more accurate in the meetings that tackle this matter. That is the first point to make. You provided us with a very comprehensive report on 4 October and we had a long discussion on that. I can see that we are getting exactly the same at this meeting and we have not really made any headway in terms of substance. Now I am not going to dwell on this, but I would just repeat what has been said by others. I would like to thank you Chair for the report and for the suggestions as to how we can make progress. We agree with that, and we are willing to study this because we believe in this way, we can get tangible results and we could to this multilaterally. I think we can do this in a way that meets the concerns of all. Just to make it all clear, on the mortarium as we have said in the past, we would support that this be permanent because this is important for developing countries, but we are of course willing to look at the various implications of this mortarium. The idea being that we come to concrete solutions.
- 3.35. The representative of the <u>United Kingdom</u> delivered the following statement:
- 3.36. Like others we were not planning to come in on this item but we have been reflecting overnight on what we heard yesterday on this important discussion. The good news is we heard the call for

e-commerce discussions to be built on inclusivity, trust and fairness. We heard the need for more honest discussions. And it is clear we are at a point where we have an opportunity to reset the debate and, as you set out in your update, Chair, to enter into more pragmatic and evidence-based discussions. In this context, we are surprised that some Members are trying to reinterpret the Ministerial outcome on the moratorium. An outcome that was carefully negotiated and a clear demonstration of how we can work together to find solutions. As the EU outlined the text is clear that Ministers or the General Council can take a decision to extend the moratorium. We have all agreed to reinvigorate, or rejuvenate, the Work Programme. As the United States characterized it yesterday, that is the good news. We welcome the proposals we have heard yesterday and today and look forward to the continued discussion. Let us focus on that.

3.37. The representative of <u>Singapore</u> delivered the following statement:

3.38. Let me make three quick points. First, Singapore and many other Members have consistently supported efforts to reinvigorate the Work Programme on E-Commerce. In other words, this is nothing new, and no one can claim credit for it. However, for the Work Programme to work, we must return to fundamentals. The Work Programme, when it was conceived in 1998, was intended to be a platform for all Members to hold meaningful and constructive discussions on the rapidly evolving issues in the digital space. This continues to hold true, and the Work Programme can play an extremely helpful role in narrowing the digital divide and enhancing digital inclusion among Members. Second, the work programme should be reoriented to focus on the positive rather than the negative. We should ensure that the Work Programme is designed to help the developing Members realize the potential of digital trade by embracing digital transformation. We could conduct deep dives and hold workshops at the Council for Trade and Development (CTD) and the Informal Group of Developing Countries (IGDC) to take on a stronger development lens. In this regard, we could invite all relevant stakeholders, including development agencies, industry players, and even members, as suggested by South Africa, to share their experiences and best practices in these areas. Finally, I just want to remind Members to read the Ministerial Decision that was adopted on 17 June 2022 fully and carefully. I quote, "Should MC13 be delayed beyond 31 March 2024, the moratorium will expire on that date unless Ministers or the General Council take a decision to extend."

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

3.40. Korea associate itself with the statements of the European Union, Japan, Switzerland, the United Kingdom and Singapore on the understanding of the MC12 Decision with regard to the open future of the moratorium.

3.41. The representative of <u>Canada</u> provided the following statement:

3.42. Canada is not in a position to comment on the new elements of the proposal as no information was provided in advance of the meeting. Canada would strongly encourage the circulation of key documents or background information well ahead of time so that Members can more effectively engage in committee meetings. To help consider any specific ideas, we would encourage the proponents to submit a written communication. These are examples of the kinds of practices that will support delegate engagement in meetings of WTO bodies. As indicated before, Canada do not see the value of having an additional agenda item in the General Council to discuss the Work Programme and the moratorium.

3.43. The representative of <u>Nigeria</u> provided the following statement⁷:

3.44. Nigeria wishes to thank India and South Africa for their statements. The performance of digital trade has become an important determinant of the distributional effects of trade, and growth. However, the benefits of global digital trade for most developing countries remain ambiguous due to capacity constraint. The North – South digital divide and digital exclusion existing within our economy, continue to reinforce disproportionate sharing of the benefits of the growth in e-commerce between countries and amongst domestic economic players. In most developing countries, institutional capacity is low, fixed broadband penetration is very low, and digital literacy rates are also low. There are also lack of national backbone network through which high-speed internet

⁷ This statement was submitted to the Secretariat following the General Council meeting for inclusion in the records of this meeting, as requested by the delegation of Nigeria.

connectivity could be extended across some developing countries. It is for this reason that Nigeria consistently calls on the membership to reinvigorate the 1998 Work Programme and to explore ways of addressing the difficulties undermining the gains of developing countries from global digital trade. We therefore welcome the renewed interest and engagements on this issue. Nigeria is of the view that discussions under the Work Programme should centre on what the WTO can and must do to unlock developing countries digital economic potentials especially for MSMEs. Nigeria believes that harmonization of global digital trade rules is crucial for unlocking economic opportunities in developing countries especially for MSMEs that are continually taking advantage of digital platforms to engage in economic activities. However, it is of critical importance that discussions on respective elements of e-commerce in all the bodies mandated to deal with this issue be approached from the perspective of development. We could discuss in respective WTO bodies checklist of relevant issues submitted by Members such as cross-border data flows, source code, as well as other issues Members may wish to table to lay the needed foundation for our work. In the CTD as well as the General Council, we could also discuss elements of capacity-building and technical assistance frameworks that would address identified needs of developing countries especially LDCs. Through this framework, developed countries and developing countries in a position to do so, could undertake to provide technical and financial support and assistance. It could also contain requirement that developed countries members define and report on their contribution to technical and financial assistance, as well as capacity building.

- 3.45. Regarding the moratorium on electronic transmission, we believe there is no ambiguity on the meaning of "electronic transmission" because in our view it includes the content of the transmission. We are also 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 anytime it lapses. It is for this reason that Nigeria will continue to support the temporary extension of the moratorium. We understand Members have divergent views on the impact of the moratorium. However, in our view, the benefits outweigh the cost. While we support the call for a study on the impact of the moratorium, such studies should not be limited to static effect analysis. It should also include dynamic effect analysis. Also, the appropriate tariff data for such analysis should be the effective applied tariff and not the bound tariffs used in some of the earlier studies with misleading conclusions. In conclusion, I wish to assure you of Nigeria's continued support on this issue.
- 3.46. The <u>Director-General</u> welcomed this discussion. She said that it was good that India and South Africa had put this down so that there could be a bit of airing of views on the way forward. It was crucial. She agreed with what Jamaica had said. If one looked at the data of where digital trade was going, there was absolutely no doubt that this was the future. So, if Members delayed and put their heads in the sand over this issue, they would again be missing the boat. The WTO would be coming in on an issue when it was already *passé*. She urged Members to be speedy. She shared what Panama had said that Members should move and start the actual work. She had listened to the discussions and had heard different truths from different sides. That was always the problem. But whatever the case could be, airing those truths so that Members could explore each side would be very important. This matter was urgent to developing and LDC Members. That was the way trade was going. Developing and LDC Members that did not get involved in this would be on the side-lines. She just wanted to add her voice to the urgency of this matter.
- 3.47. The <u>Chair</u> took note of the statements on the matter including the specific suggestions put forward by the delegations of India and South Africa. Going forward, he intended to convene a Dedicated Discussion in the General Council to address horizontal issues. To facilitate that discussion, it would be important for delegations to come forward with issues of priority bearing in mind the particular attention to be given to the development dimension. He again encouraged all Members to submit proposals in a timely manner. With regard to the organizational details of the Dedicated Discussion, further details would be provided in due course. As he had reported under agenda item 2, he intended to appoint a Facilitator to assist in the discussions on the Work Programme and the moratorium.
- 3.48. The General Council took note of the statements.

4 PARAGRAPH 8 OF THE MINISTERIAL DECISION ON THE TRIPS AGREEMENT ADOPTED ON 17 JUNE 2022 - DOCUMENT WT/MIN(22)/30 (MINISTERIAL DECISION ON THE TRIPS AGREEMENT OF 17 JUNE 2022) - REQUEST FROM SOUTH AFRICA, INDIA, INDONESIA, EGYPT, PAKISTAN AND ARGENTINA ON BEHALF OF THE CO-SPONSORS OF IP/C/W/669/REV.1

- 4.1. The representative of <u>South Africa</u> delivered the following statement:
- 4.2. We note the informal remarks made by the TRIPS Council Chair under his own responsibility in agenda item 2. As the co-sponsors we believe the paragraph 8 mandate is a continuation of the waiver negotiations under Article IX of the Marrakesh Agreement, it is important for the Chair to continue the practice of presenting a formal, factual report to the General Council. The Ministerial mandate in paragraph 8 of the WTO Decision on the TRIPS Agreement is time bound and necessitates that we work with speed on this important item that affects people's lives. The decision demonstrated what we can achieve as the membership when we work together and adopt a solution-oriented approach to issues that affect humanity. While we welcome the TRIPS Waiver decision, we recognize that it is limited in scope but importantly it is a step in the right direction. Paragraph 8 maps out the outstanding work that remains on the scope of products to be covered so as to have a comprehensive response to the pandemic and to truly build resilience in relation to the prevention, treatment and containment of COVID-19. Vaccination is without a doubt having an impact in reducing hospitalizations and deaths, however many people remain vulnerable. Even in vaccinated individuals, uncertainties remain about the duration of protection and effectiveness of current vaccines and the efficacy of existing treatments emerging variants. The treatment options to be availed to patients depend on many factors such as the disease severity, the availability of drugs, routes of administration (only intravenous for remdesivir and the monoclonal antibodies), duration of treatment among others. Some can be used in combination (i.e., as for severe or critical COVID-19) while others are to be used as alternatives. The evolution of the virus and patterns of vaccination affect the efficacy of therapeutics thus raising the importance of adapting the treatments to local contexts.
- 4.3. The Lancet Commission on lessons for the future from the COVID-19 pandemic states that "Countries should maintain a vaccination-plus strategy that combines mass vaccination, availability and affordability of testing, treatment for new infections and long COVID (test and treat) among others. A vaccination-plus strategy with the goal of protecting populations should be implemented on a sustainable basis, rather than as a reactive policy that is abruptly turned on and off". We call on Members to build on the positive spirit of MC12, circular discussions in the TRIPS Council have never assisted to take us forward. The waiver proponents have provided sufficient evidence in the documents that have been submitted before on the IP barriers applicable to therapeutics and diagnostics, including concerns regarding accessibility and affordability. A comprehensive approach is needed to deal with the pandemic. This is reflected in IP/C/W/669 Rev.1 in which 65 cosponsors, supported by over 100 Members, have called for a limited, time bound waiver on COVID-19 vaccines, therapeutics and diagnostics. The paragraph 8 mandate is clear, the task before us is to decide within 6 months on the extension of the WTO Ministerial Decision on the TRIPS Agreement to cover therapeutics and diagnostics. It is not an agreement to renegotiate the text. The WTO Ministerial Decision contains safeguards to ensure that products produced and supplied under the authorization are for COVID-19. This is reflected in paragraph 1 which provides that authorizations under the Decision may only be granted "to the extent necessary to address the COVID-19 pandemic". We want to caution against re-opening the text given the limited nature of the waiver as this will upset the delicate balance reached in the negotiations. We call on Members to exercise restraint as any re-opening will take us to a downward spiral. The cosponsors have offensive interest in broadening a number of elements in the Decision. However, we have exercised restraint in order to give the membership the best possible chance of reaching consensus within the very limited time allotted by our Ministers. The Ministers' mandate is specific and clearly defined and we believe we should deliver on this as soon as possible and way before the 17 December 2022 deadline. Should the TRIPS Council discussions prove difficult, we would call on the Director-General to consider engaging the Ministers way before the deadline so as to have an outcome. We remain ready to engage constructively with Members.

- 4.4. The representative of Argentina delivered the following statement:
- 4.5. Argentina wishes to reiterate how important it is for our delegation in particular, and developing countries in general, to extend the Decision of the TRIPS Agreement of June this year to diagnostics and therapeutics, in accordance with the paragraph 8 mandate. We would like to begin by expressing our unease at the fact that the oral report of the Chair of the TRIPS Council was discontinued after MC12. We have not concluded our work on this issue. We also regret that we have been unable to progress in our work as proposed in document RD/IP/49. We have less than three months to make a decision. The pandemic revealed inequalities in access to medical goods for the diagnosis and treatment of COVID-19. The production of diagnostic tests, treatments and vaccines continues to be concentrated in a few countries. The pandemic also highlighted the obstacles posed by intellectual property rights in a patent system that is becoming ever more geared towards commercial gain, to the detriment of public health objectives. In the current phase of the pandemic, in which a significant proportion of the population has been vaccinated, there is a clear need to diversify and expand the production of treatments in particular, at affordable prices. Voluntary licensing of patents can help build partnerships and enable innovation through cooperation and technology transfer. However, private-sector licensing strategies have commercial aims and do not respond to the need for access to health technologies. As was acknowledged in 2001 and reaffirmed in the Ministerial Declaration on the WTO response to the COVID-19 pandemic, the Agreement "should be interpreted and implemented in a manner supportive of WTO Members' right to protect public health and, in particular, to promote access to medicines for all". In short, states must ensure a balanced protection system by quaranteeing that health technologies are accessible and available at affordable prices. Argentina therefore encourages Members to hold constructive discussions in good faith with a view to expanding the production and distribution of diagnostics and therapeutics and moving toward an inclusive multilateral trading system that addresses the health needs of all developing countries.
- 4.6. The representative of <u>Switzerland</u> delivered the following statement:
- 4.7. Paragraph 8 of the Ministerial Decision on the TRIPS Agreement stipulates a 6-month deadline for Members to decide whether or not to extend the decision to cover the production and supply of COVID-19 diagnostics and therapeutics. To this end, in the TRIPS Council on 19 September, many delegations underlined that fact- and evidence-based discussions are necessary. Switzerland appreciates that such discussions have commenced and would like to thank those delegations that have at the recent TRIPS Council meeting provided initial information to the many questions raised by Switzerland and other delegations. We are studying the replies thoroughly as Members need to have a clear understanding of the problems concerning COVID-19 diagnostics and therapeutics in order to be able to discuss in an informed manner a possible extension of the 17 June Decision. Allow me to reiterate that Switzerland does not consider IP as a barrier. To the contrary, we are fully convinced that the IP system is part of the solution of pandemic preparedness and of the fight against this and future pandemics. We are looking forward to deepening our evidence-based discussions within the TRIPS Council and are ready to engage actively and in good faith.
- 4.8. The representative of <u>Bangladesh</u> delivered the following statement:
- 4.9. Bangladesh welcomes the temporary TRIPS waiver decision by MC12 to support production and affordable and timely supply of COVID-19 vaccines with an opportunity to extending the decision for therapeutics and diagnostics. This is a much-delayed decision after the outbreak of the pandemic; however, it is expected that the decision will be helpful for scaling up the COVID-19 vaccine production. Without further delay, we must extend the decision to therapeutics and diagnostics as instructed by Ministers. In our understanding, no new conditions are required to extend the same decision resulted from a long negotiation. In this regard, Bangladesh thanks the TRIPS Council Chair for his oral status report under agenda item 2 and hopes that he kindly continues presenting his oral status report in the General Council as the TRIPS Council is yet to complete this work, as mandated by Ministers at MC12. The social and economic effects of COVID-19 have been and continue to be disastrous especially for developing countries and LDCs. Hundreds and thousands of people are pushed to live under extreme poverty. Because of the pandemic, extreme poverty in the world rose in 2020 for the first time in over 20 years. According to a World Bank estimate late 2021, around 100 million more people are currently living on less than \$1.90 a day. This is evident that there is an urgent need to expand manufacturing globally and to diversify supply of vaccines, therapeutics and other medical products to effectively fight the pandemic. Therapeutic options for COVID-19 primarily fall into two categories: monoclonal antibodies (mAbs) (administered by infusion) and oral

antivirals (administered as tablets) but most of the products even those recommended by WHO are either unavailable or unaffordable for developing countries. Intellectual property monopolies, especially patents, remain a major barrier to scaling up production and to facilitating equitable access in the developing countries. Due to limited manufacturers, there are significant supply constraints for the therapeutics recommended by WHO and for potentially new therapeutics. Likewise, testing is critical to detect cases, to identify new variants and to better understand the scale of infection. It also allows for rapid action to be taken and to break the chain of transmission. Testing allows for new COVID-19 variants to be identified to begin and develop vaccines and therapeutics that can prevent or treat infection. Testing in developing countries and especially in least developed countries remains low. The MC12 Decision on the TRIPS Agreement (WT/MIN(22)/30), i.e., on the TRIPS Waiver for the COVID-19 vaccine, is just halfway progress. Extending the TRIPS Waiver decision to cover the production and supply of COVID-19 therapeutics and diagnostics will immensely help the middle- and low-income developing countries and the LDCs. The issues of therapeutics and diagnostics are also emphasized by Ministers in their declaration on WTO Response to Pandemic. Bangladesh hopes that Members will not fail to deliver a fuller and strengthened TRIPS Waiver decision including therapeutics and diagnostics. My delegation stands ready for further work to agree on a favourable decision as soon as possible before the deadline ends in December 2022.

4.10. The representative of <u>Singapore</u> delivered the following statement:

4.11. In order to spare us from too much pain, our Trade Ministers were very wise in mandating that "no later than six months from the date of the Decision, Members will decide on its extension to cover the production and supply of COVID-19 therapeutics and diagnostics". In other words, we must decide whether or not to expand the scope of the Decision no later than 17 December 2022. As we approach this important decision, I would just like to suggest that we consider the following three questions. First, what is the current state of the COVID-19 pandemic? According to WHO, in December 2021, global weekly infection rates reached 9.5 million. Since then, weekly infection rates have steadily declined, with the last weekly infections in September this year reported at 3 million. As a result, on 14 September 2022, WHO DG Tedros declared that "we are not there yet, but the end is in sight" for the COVID-19 pandemic. In fact, a large number of countries have begun treating COVID-19 as endemic. According to the WHO, with two thirds of the global population vaccinated, reported deaths from the virus have also been at the lowest levels since the beginning of the pandemic, reflecting the critical role that vaccination has played. As the COVID-19 situation evolves, our response must also be updated. For example, we are now faced with an oversupply of vaccines and according to some estimates, 1.1 billion COVID-19 vaccines doses have been destroyed since June 2021. This suggests that there are other factors, other than supply of vaccines, that are hampering vaccination. Second, what are the real factors on the ground that are hampering access to diagnostics and therapeutics? As the experience with vaccines has demonstrated, simply addressing supply side factors may not be the answer. In fact, as the rate and number of infections decline, the demand for diagnostics and therapeutics will, logically, trend downwards. According to the ACT Accelerator's report, some of the key barriers to equitable access and effective uptake of tests and treatments are: one, regulatory bottlenecks; two, the lack of demand forecasting; and three, low awareness and demand for diagnostics and therapeutics. As such, it may be useful for us to consider how these challenges can be addressed. Third, how do we ensure that actions taken today do not disincentivise innovation, which is critical in our response for future pandemics? As we know well, the role of innovation in the testing, treatment and vaccination against COVID-19 was indispensable. Within 10 months of the outbreak of the pandemic, there were over 1000 treatments under study and 247 vaccine candidates. This would not have been possible without a thriving innovation ecosystem that enabled the production of the first COVID-19 vaccine within one year. The same story is repeated in the development of various testing methods such as the PCR and rapid antigen tests. Hence, while we consider the extension of the TRIPS Decision, we must ensure that we preserve the incentives for innovation, which is a critical element of our ability to respond to future pandemics. Singapore stands ready to engage in an open and constructive manner on this issue.

4.12. The representative of <u>Mexico</u> delivered the following statement:

4.13. I would like to thank the co-sponsors of the document IP/49. We appreciate this document and had discussed it with our authorities and stakeholders. To continue with the analysis, we need to obtain clarity about the scope of application and specificities about the products that are possibly being included in this discussion and the decision to be taking on them. The decisions taken here

are based on scientific evidence. According to our knowledge, there are more than 50 voluntary licences with countries throughout the world to produce therapeutic products. In Mexico, we are producing Pfizer. We are convinced that the intellectual property system is part of the solution to solve future pandemics as well as a key driver for innovation and invention. I reiterate the intention of Mexico to contribute productively to these discussions.

- 4.14. The representative of Nigeria delivered the following statement:
- 4.15. Nigeria wishes to associate itself with the statement delivered by South African on behalf of the co-sponsors. It has been over three months since our Ministers adopted the Ministerial Decision on the TRIPS Agreement. Unfortunately, we have not made appreciable progress that would enable us to fulfil the mandate contained in paragraph 8 of that decision within the timeframe envisaged by our Ministers. The extension of the decision to cover the production and supply of COVID-19 diagnostics and therapeutics would foster the ramping up of production globally and ensure timely access to these lifesaving products by developing countries. We therefore call on Members to engage constructively and in good faith to enable us deliver on this issue within the December 2022 timeframe envisaged by our Ministers.
- 4.16. The representative of the European Union delivered the following statement:
- 4.17. The European Union is ready to engage constructively in the discussions on whether to extend the mechanism agreed by the WTO Ministerial Conference to therapeutics and diagnostics. We are currently analysing the information that we gathered from stakeholders and conducting consultations with our member states.
- 4.18. The representative of <u>Japan</u> delivered the following statement:
- 4.19. Intellectual property rights and the TRIPS Agreement play a crucial role in the development of COVID-19 vaccines, diagnostics, and therapeutics. In considering the extension of the Ministerial Decision to also cover diagnostics and therapeutics, we must ensure that our discussion continues to be based on evidence and facts. In previous TRIPS Council meetings, many Members have pointed out that the scope of diagnostics and therapeutics covered by a potential extension is unclear, that there are voluntary licenses available for diagnostics and therapeutics, and that generic products are already accessible in these fields. I will not go into the details here, but Japan has contributed to the promotion of discussion by presenting analysis on the need for extension of the Decision in light of these points. In this regard, I would like to take this opportunity to inform here that this week one Japanese pharmaceutical company reached an agreement with MPP (Medicines Patent Pool) on COVID-19 oral antiviral therapeutics to increase access in many countries. Japan is delighted to see the Japanese private sector actively contribute toward ending the COVID-19 pandemic in the area of intellectual property rights. We took note of the explanations provided by the proponents at the Informal TRIPS Council meeting in response to the questions raised by several Members, including Japan. We would like to deepen future discussions by conducting a detailed analysis of these explanations. In addition, we would also like to thank the Secretariat for its efforts to have recently presented the schedule for future TRIPS Council meetings. Japan will continue to be constructively involved in future discussions on this matter.
- 4.20. The representative of China delivered the following statement:
- 4.21. Despite the efforts made by Members, it is regrettable that no progress has been made since September. It seems that we once again witnessed entrenched positions as we did in the early stage of vaccine negotiations. With the fast approaching of December deadline, the sense of urgency has to be enhanced, to improve the dynamic of negotiations. TRIPS waiver on vaccines is indeed a hardwon outcome at MC12, but there is no room for complacency considering the uneven condition of response to pandemic around the world as well as the unfulfilled instructions given by our Ministers, i.e., paragraph 8 of the Ministerial Decision. As Dr. Tedros recently stated, the COVID-19 pandemic remains an acute global emergency, and if we do not take this opportunity now, we run the risk of more variants, more deaths, more disruption, and more uncertainty. Therefore, on top of making better use of TRIPS waiver on vaccines, it is also morally imperative and pragmatically needed to continue our efforts to enhance the accessibility and affordability of COVID-19 diagnostics and therapeutics. Throughout the negotiating process, on the one hand, we should always bear in mind that the global challenge has to be addressed through joint efforts. At this extremely difficult time,

moral obligation shall prevail over commercial interest, global welfare shall precede over national interest. On the other hand, we also need to recognize the complexity of diagnostics and therapeutics and try to strike a balance between waiver and IP protection. Therefore, focusing on a handful of products that are most important, critical and needed by developing members to fight against the pandemic may constitute a feasible and practicable approach that members could explore. Having said that, we call upon all Members to accelerate domestic consultation process respectively, engage in discussions with frankness and good faith with a view to delivering meaningful and balanced outcome in the coming months. As always, China will do its part in this process.

- 4.22. The representative of the <u>Russian Federation</u> delivered the following statement:
- 4.23. As Singapore said, the coronavirus continues to rage. I looked at the statistics on this subject in my country, it is also disappointing. People continue to suffer and lose lives. From the beginning of COVID-19, it was clear that the response to this new pandemic should be comprehensive and multidirectional. Disease prevention, identification of infection sources and treatments were key elements of the global fight against COVID-19 spread. These actions remain relevant today. The Russian Federation was one of the pioneers in the creation of COVID-19 vaccines. We have supplied them to countries in need and established production partnerships in different parts of the world, helping to alleviate the critical shortage of vaccines. At the same time, the Russian Federation, like many countries during the pandemic, faced the problem of procuring therapeutics and diagnostics instruments and supplies. We had to invest a lot to solve this problem. Unfortunately, we see that Members face the same challenges. At MC12, the Russian Federation highlighted that the Ministerial Decision in question will have a more practical implication if it covered COVID-19 diagnostics and therapeutics. We urge interested Members to intensify this long-standing dialogue, bearing in mind that the subject of therapeutics and diagnostics is more complex in comparison to vaccines. Calling upon additional expertise may be required. Once again, we want to highlight the benefits of international cooperation on the voluntary transfer of technologies and eradication of production of counterfeit COVID-19 medical goods. My delegation is ready to engage constructively in these negotiations during the work of the upcoming TRIPS Council.
- 4.24. The representative of <u>Malaysia</u> delivered the following statement:
- 4.25. With the TRIPS Ministerial Decision, we view that vaccine equity can be further improved in vulnerable parts of the world in a timely manner. We remain cognizant of the role of intellectual property rights in research and development. Nonetheless, the Covid-19 experience tells us that addressing this life-threatening pandemic situation now and in the future warrants more comprehensive and decisive interventions. Therefore, we will continue to support the Director-General and the Chair in our endeavour to deliver an inclusive WTO's response to the pandemic.
- 4.26. The representative of <u>Cameroon</u>, <u>on behalf of the African Group</u>, delivered the following statement:
- 4.27. Let me begin by expressing our appreciation to the delegation of South Africa for introducing this important agenda item on behalf of cosponsors. The African Group has consistently expressed its position and desire for a comprehensive and holist approach in the fight against COVID-19 pandemic. Nonetheless, the group is grateful for the Ministerial decision adopted in June 2022 that provide some TRIPS flexibilities for production COVID-19 vaccines. However, the decision covers just part of the solution from WTO toolbox. Right from the start of discussion in October 2020, it was clear with the African Group members that TRIPS flexibilities should encompass three key elements namely vaccines, therapeutics and diagnostics, as a complete set of the needed solution to address COVID-19 pandemic. The access to diagnostics and lifesaving drugs is also important and particularly for the African countries due to the fact that majority of its constituents are not yet fully vaccinated, hence are vulnerable to severe infections. Therefore, as vaccination continue to be vital, scientific diagnosis and treatment of infected people should be accorded due priority as per the WHO insistence, in order to save many lives of vulnerable particularly unvaccinated patience. The current situation is of great concern to Africa on the accessibility and affordability of COVID-19 therapeutics and diagnostics. For example, according to the Access to COVID-19 Tools (ACT) Accelerator report, its original target was to deliver 245 million treatments to developing countries by the end of 2021 but due to supply challenges ACT Accelerator, changed its target to only 100 million treatments only focusing patience with severe and critical condition. Basically, ACT Accelerator failed to deliver on its target due to inadequate supply. As we alluded in the TRIPS Council discussions, the majority of

countries are excluded from the voluntary licensing agreements under medicines patent pool (MPP) system. As result of this geographical limitations system among others, the production and supply of those products remain skewed to few countries and regions, which in turn affects the supply and prices of COVID-19 therapeutics. Therefore, we are convinced that TRIPS flexibilities on production of COVID-19 therapeutics and diagnostics, is the only realistic and an effective way that will lead to diversified production and supply of those products, addressing the current inequity. The African Group urges Members to seriously consider implementing the mandate enshrined in paragraph 8 of the Ministerial Decision on TRIPS Agreement as adopted in June 2022. Further, Members should consider extending the decision on *mutatis mutandis* to the respective Ministerial decision.

- 4.28. The representative of <u>Antigua and Barbuda</u>, <u>on behalf of CARICOM</u>, delivered the following statement:
- 4.29. The CARICOM Group calls for meaningful, constructive, and fair negotiations on Paragraph 8 of the MC12 Decision on the TRIPS Agreement. The pandemic is far from over and while we debate these issues, lives and livelihoods are still being lost and disrupted on account of the pandemic. According to the World Health Organization (WHO), in a report published just last month, equitable roll-out of COVID-19 diagnostics and therapeutics continues to be inadequate and threatens to undo public health gains achieved throughout the pandemic. Furthermore, the WHO also notes that with limited attention on procurement, delivery models and in-country planning, low-income and lower middle-income countries are disproportionally affected, placing equitable access at risk. The WHO report's central premise is that diagnostics and therapeutics, and associated test to treat strategies, are fundamental components of the pandemic response, both for COVID-19 and for future health threats. Increasingly, WTO Members are asking for evidence-based discussions and decisionmaking. In this case, the evidence, based on what other competent and reputable global organizations are telling us, suggests that we need to expand access to COVID-19 diagnostics and therapeutics. As we did with respect to access to COVID-19 vaccines, positive consideration should be given for a waiver of certain aspects of the TRIPS agreement to cover the production and supply of COVID-19 diagnostics and therapeutics.
- 4.30. The representative of the Philippines delivered the following statement:
- 4.31. The Philippines would like to thank the TRIPS Council Chair for his updates on the state of play on the proposed waiver extension as well as the perspectives shared by the co-sponsors of IP/C/W/669/Rev.1 and other delegations. The Philippines supports the extension of the waiver to therapeutics and diagnostics. We do recognize that evidence-based discussions are important but would concur that there is ample evidence of a COVID-19 treatment global divide. Likewise, there is wide acknowledgment that the private sector in developing Members already possess the capacity to produce medicines and diagnostic kits as opposed to the case of vaccines, which we all acknowledged depend on complex supply chains and require large-scale capital investments. The constructive spirit of engagement we achieved at MC12 needs to be followed up and go well beyond the reiteration of official statements and should include concrete text-based discussions for the extension decision, as well as open consultations with health experts present in Geneva, such as the World Health Organization, the WIPO, and Medicines Patent Pool. We would also recommend a sequential approach to negotiations that prioritizes therapeutics, given that the current WHO Guideline document currently lists 15 recommended COVID-19 treatments compared to hundreds of products under the umbrella of diagnostics. Additionally, our view is that the scope of sublicensing arrangements under the Medicines Patent Pool should ensure equal and open access to all developing Members for the generic production of covered therapeutics.
- 4.32. The representative of Kenya, on behalf of the ACP, delivered the following statement:
- 4.33. More than three months have lapsed since the adoption of the Ministerial Decision on the TRIPS Agreement. The ACP Group calls for expeditious compliance with Paragraph 8 of the MC12 TRIPS Decision as envisioned by Ministers. Given the limited time to the expiry of the set timeline, we urge delegations to move the discussions away from the previous dynamic of questions and answers to objective determination of how best to implement this important paragraph, as desired by the Ministers. The ACP Group is committed to fulfilling the Paragraph 8 mandate so as to ensure access to COVID-19 therapeutics and diagnostics by developing and LDC Members and to significantly contribute to global efforts to end the pandemic.

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

4.35. The world is now experiencing an evolution of the COVID-19 pandemic. It is observed that antibodies triggered by vaccination are less effective in responding to new variants of the pandemic such as Omicron. Even vaccinated people with boosters are vulnerable to multiple infections of the new variants. People continue to die from COVID-19. It is the case even in my country, including the proliferation of new variants of the pandemic, due to limited access of lifesaving treatments. On the other hand, equitable and affordable access to therapeutics options and diagnostic kits for COVID-19 recommended by the WHO remains a massive challenge for developing and LDC Members. There are significant supply constraints for therapeutics recommended by the WHO and for new therapeutics due to the limited number of manufacturers. We recall the sentiments expressed by the delegation of Antigua and Barbuda today where it questioned the necessity of providing evidence-based situations for Members to move forward on this decision when international authorities reveal the actual situation in relation to the acute supply of these required medicines and diagnostic kits. We are ready to provide such examples at the TRIPS Council where Sri Lanka, as a country with less manufacturing capacity, had found in a number of occasions to access to such a highly expensive medicines because they are either in short supply or are highly priced because the IP rights are concentrated only within a number of patent holders. We need to understand that administering them require a lot of care by medical specialists. When you do not have adequate supply of such, there could be a tendency to go after counterfeit medicines that will really jeopardize the health of some of our patients. We are quite compelled to approach the patent holders and manufacturers, but they are not able to supply the quantities that are necessary for my country. We will share such examples in the TRIPS Council. In this backdrop, Sri Lanka echoes the concerns expressed by the co-sponsors of the proposal particularly in relation to the lack of clarity on the way forward and dragging the process by some Members which might delay in reaching the final outcome on the remaining Ministerial Decision by end of 2022. My delegation would continue to constructively engage in all future discussions on this very important file as this is about public health of human life on this planet.

4.36. The representative of the <u>Maldives</u> delivered the following statement:

4.37. I would like to recall the clear mandate set to us in Paragraph 8 of the MC12 TRIPS Decision to decide on the extension of the waiver to diagnostics and therapeutics in the treatment of COVID-19. Time is already ticking on the short six months provided for us to reach this decision. Diligent work and discussion on this issue is necessary. The COVID-19 pandemic is not over. The disease is still spreading. Hundreds of deaths are reported daily. We still need to ensure more equitable access to tests, treatments, and essential supplies worldwide. This is why we need an extension to the waiver to cover diagnostics and therapeutics that will provide testing capabilities for developing and LDC Members. Testing is essential to understand the true picture of the evolving COVID-19 virus and the real burden of the disease globally. The WHO has stated that treatments are not given early enough to prevent serious illnesses and death. Furthermore, new treatments especially promising new oral antivirals, are still not reaching low- and low- middle-income countries, depriving whole populations that need them. Therefore, extending the waiver to account for therapeutics as they are developed will be crucial in ensuring an effective response and management of the pandemic for all Members. The Maldives stresses the need to continue substantive discussions on fulfilling the mandate as set by Ministers in MC12 on completing paragraph 8 of the MC12 TRIPS Decision and we welcome the schedule proposed by the Chair. We strongly urge all delegations to expedite this process in coming to a conclusion on the extension of the waiver to diagnostics and therapeutics in the treatment of COVID-19. In this manner, we look forward to open, transparent and constructive discussions on this critical issue.

4.38. The representative of the <u>Plurinational State of Bolivia</u> delivered the following statement:

4.39. We would like to thank the TRIPS Council Chair for his report and those who have supported the MC12 TRIPS Decision. As there has been no progress since this was agreed in June, Members should redouble their efforts to reach convergence on extending this decision to diagnostics and therapeutics. During the pandemic, medicines were in high demand causing shortages both in the medical products as well as inputs – a problem that we experienced in our country. This makes both medicines and inputs in producing them even more vital so that we can combat COVID-19. That is why this matter is very important and has been thoroughly discussed for the past two years including in the TRIPS Council. As information had already been provided, we should not delay this process

further. We have to take this decision as quickly as we can. Given the limited time we have left, we must fulfil our commitment to achieve results and enable an IP system which prioritizes human life.

- 4.40. The representative of Nepal delivered the following statement:
- 4.41. I support the statements delivered by South Africa, India and other proponents in favour of this agenda item. The MC12 TRIPS Decision is a good example of multilateral deliberation to address the global problem. It would definitely contribute to saving lives of people around the world. However, this decision by itself is not sufficient because vaccines alone do not resolve the COVID-19 pandemic problem. In this context, we need to take a decision on its extension to cover production and supply of COVID-19 diagnostics and therapeutics in a timely manner by engaging constructively and demonstrating flexibility at the maximum possible level.
- 4.42. The representative of <u>Jamaica</u> delivered the following statement:
- 4.43. The COVID-19 pandemic has reinforced our interconnectedness and the need for us to coordinate at the multilateral level to tackle issues which affect all of us. This Ministerial Decision provides a framework for members to diversify and increase vaccine production for the treatment and containment of COVID-19. It represents a careful balance that puts the WTO in a position to respond to the pandemic in a tangible way through the provision of the necessary flexibilities in the TRIPS Agreement, while preserving the essential benefits and protection to be derived from the IP framework in the WTO. Under this decision, Members, especially developing and LDCs, can seek investment in, develop or utilize existing manufacturing capacity to produce COVID-19 vaccines and contribute to global output. The pandemic is not yet over. In some parts of the world, we are seeing a resurgence. The WTO needs to accelerate the pace at which it contributes to global initiatives aimed at, inter alia, improving accessibility to and affordability of COVID-19 treatment and addressing the issue of low rates of vaccinations, especially in developing and LDC Members. Hence, as Members deliberate on the extension of the Decision to cover therapeutics and diagnostics in keeping with Paragraph 8, and the proposed deadline of December 2022, it is important that we remain constructive, open-minded and creative in our engagements. In this regard, Jamaica supports the informal meetings and consultations being undertaken by the TRIPS Council Chair as well as the bilateral engagements by individual delegations. These are appropriate ways to narrow divergences, understand areas of concerns and brainstorm ideas on next steps. It is also important that we bear in mind the need to start preparing for future pandemics and ensuring that the organization is better equipped to respond. The MC12 Decision of the WTO's response to the pandemic serves as a good basis in this regard. We note the submission from co-sponsors, which is still under consideration in capital. Given the fast-approaching deadline, Jamaica encourages all Members to remain engaged in the process and looks forward to a timely conclusion of the negotiations. Jamaica aligns itself with the statement to be delivered by the ACP Group.
- 4.44. The representative of <u>Egypt</u> delivered the following statement:
- 4.45. We associate with the statements made by the African Group and the co-sponsors of the TRIPS waiver proposal. On Paragraph 8 of the Ministerial Decision on TRIPS, we express our regret that we now have less than three months to come to a Yes/No Decision. Frankly speaking, while we are witnessing no advancement on that track, we are in a loop of questions and answers circle that would prolong those negotiations until MC13. That said, we are requesting Members, especially non proponents, to engage constructively and avoid getting into circular discussions with questions and additional questions. We urge our trading partners, those who are seeking evidence and facts to recall all these detailed submissions that have been made by the co-sponsors since the start of these discussions two years ago. Several documents have been provided by co-sponsors in this regard to answer these questions. In addition, we have provided new series of evidence and answers in our recent statements at the informal TRIPS Council convened on 3 October. There is no doubt that facing the COVID-19 pandemic requires a comprehensive approach, based on ramping up and diversifying the production of all related therapeutics, diagnostics, and vaccines. Let me affirm in this regard that vaccines alone will not be sufficient to prevent death of COVID-19 victims. All sides are urged to cooperate in good faith and in earnest to address this challenge and desist from delaying tactics. My delegation will we remain committed to engage constructively to this effect in any configuration.

- 4.46. The representative of Peru delivered the following statement:
- 4.47. Peru appreciates the meetings calendar so that we can structure our work. We hope that we continue to do this in an open, transparent and inclusive manner. We are happy that discussions have started, including on the definition and scope. There are other aspects as well which are crucial so that we can make headway in the negotiations. The outcome could be different if we compare it with what we did on vaccines. It is important that the decisions and the waiver on 17 December or before are based on evidence and factual analysis. To that end, we see value in experts and people from specialized agencies such as WIPO and WHO being invited to give information and data because they can shed light on this very complex area. We should ensure that we do not stand in the way of good faith discussions. We will continue to make a real contribution to this process concerning diagnostics and therapeutics and we will do this because we see it as a major priority.
- 4.48. The representative of the Republic of Korea delivered the following statement:
- 4.49. Korea appreciates Ambassador Gberie's update report and welcomes the resumption of discussions on Paragraph 8 of the Ministerial Decision with a particular focus on issues including assessing the current COVID-19-related situation and defining the scope of the subject matter of a patent. In recent informal meetings of the TRIPS Council, Members had shared their views on such issues. However, we are still in the initial stage of discussion on whether to extend the decision for COVID-19 therapeutics and diagnostics. My delegation believes that we should continue facts and evidence-based discussions by building on what we have already exchanged in recent meetings. Korea stands ready to work constructively with Members for balanced and timely outcome.
- 4.50. The representative of <u>Chinese Taipei</u> delivered the following statement:
- 4.51. We thank all Members which have contributed to the discussions on this topic. The discussions are very useful. We consider saving lives and health is important and we are serious on the discussion of the possible extension of the TRIPS Decision. We have launched our domestic consultations with stakeholders to find the best way to tackle the pandemic in a realistic and practical way and, at the same time, to respect the patented rights as much as possible. I thought Singapore's questions are genuine, fair and practical. These questions include understanding the current state of pandemic; updating our response approaches; identifying full factors which affect the supply and demand; and considering whether our decision could become disincentives to the future invention. In addition, we have several suggestions. The TRIPS issues with respect to vaccines, on the one hand, and those with respect to diagnostics and therapeutics, on the other hand, might not be necessarily identical. Therefore, discussion on various aspects to address different concerns in relation to diagnostics and therapeutics is not an unnecessary repetition but is needed to help our discussion move forward. Our sincere belief is that clarification of the scope of diagnostics and therapeutics is necessary. There are no clear definitions for diagnostics and therapeutics in the fields of medicine or medical devise. During the past negotiations on the TRIPS Waiver, Members had not proposed a working definition for discussion. Since an extension of the MC12 Ministerial Decision on TRIPS Agreement will be binding in nature, we need to be sure about the exact product-coverage so as to provide certainty for its future application and for the affected and benefiting industries to conduct their businesses.
- 4.52. In addition, some COVID-19 related diagnostics and therapeutics have broad and multiple uses. They might not be exclusively for the purpose of diagnosis or treatment of COVID-19. From this perspective, it could be overly broad and could have unexpected adverse implications if the dual-use products are covered. During our internal consultation, we were also informed that many diagnostics or therapeutics either do not involve patent or the related patents are expired. It will be useful if Members can provide more data showing that patent is actually an impediment to have prevent companies from producing their diagnostic or therapeutic products. Some diagnostics and therapeutics producing companies also informed us that, based on their experience, voluntary licensing from the right holders is much useful to produce good quality diagnostics and therapeutics. It will also be useful if we could have more real examples to show that voluntary licensing from the right holders is not working in certain fields. We will also be very much appreciative to have further information on any supply shortages or mismatch of supply and demand with respect to specific product lines of diagnostics and therapeutics. We note that many Members might have encountered problems with diagnostics and therapeutics. There might be various factors contributing to such difficult situation. We still believe that when the actual problems involved in the supply, production and distribution as well as the reasons why the demand is not matched can be identified, Members

will be able to come to a conclusion on the possible extension in more swiftly. We stand ready to engage constructively in the transparent, inclusive and evidence- and science-based discussions.

- 4.53. The representative of <u>Diibouti</u>, <u>on behalf of the LDCs</u>, delivered the following statement:
- 4.54. The LDC Group supports the initiative and the request on behalf of the co-sponsors of IP/C/W/669/Rev.1, which includes the LDC Group. We urge Members to engage constructively in order to fulfil the mandate of the MC12 Decision on the TRIPS Agreement, regarding the inclusion of therapeutics and diagnostics.
- 4.55. The representative of the Bolivarian Republic of Venezuela delivered the following statement:
- 4.56. According to the WHO COVID-19 Weekly Epidemiological Update, Edition 112, published on 5 October, while globally, the number of new weekly cases decreased by 6% during the week of 26 September to 2 October, as compared to the previous week, the reality is that over 2.9 million new cases were reported. Also, while the number of new weekly deaths decreased by 12%, as compared to the previous week, over 8,300 fatalities were reported. As of 2 October 2022, over 615 million confirmed cases and over 6.5 million deaths had been reported globally. These data show that the rules governing international trade are not enough to stop the pandemic. As the tragedy of COVID-19 is ongoing, this House is searching for options, based on a waiver proposal co-sponsored by my country. At the Twelfth Ministerial Conference, we were able to agree on a mild response, which was overdue and incomplete, since a comprehensive response should not be limited to vaccines but also include diagnostics and therapeutics. For my delegation, this matter is not yet resolved and remains part of our original proposal for a waiver. We are concerned about the delay in the meeting schedule that was presented at the meeting of 6 July. Unfortunately, we now have less than three months to reach a decision. My delegation is of the view that it should be our top priority. We would ask that Members, especially the non-proponents, participate in a constructive manner and avoid circular discussions with additional questions and repeated questions requesting evidence and facts that have already been provided in various documents submitted by the proponents. Tactics aimed at delaying the matter by those who do not want to move forward have collateral consequences that cost people their lives people who may be anonymous to us, but nevertheless remain important to their families and communities. The urgency of extending the Decision on TRIPS to therapeutics and diagnostics cannot be underestimated, as they are still in short supply and unaffordable in developing and LDC Members. According to the WHO, the average daily testing rate in the developing world is as low as one eightieth (1/80) the rate in developed countries. It stresses that "[i]mproving access to early testing and diagnosis in primary health care settings will be key for the global rollout of this treatment". The WHO has also said that its recommended treatments for COVID-19 are in short supply and expensive, due to patent barriers. It is up to us to make headway on this issue. The time has come to move to text-based negotiations.
- 4.57. The representative of <u>Botswana</u> delivered the following statement:
- 4.58. I thank the delegation of South Africa for the introductory statement on behalf of the cosponsors and for their efforts in leading the discussions on this matter. Botswana associates with the statements read by Cameroon and Kenya on behalf of the African Group and the ACP respectively. My delegation would like to stress the need for expeditious action in the implementation of Paragraph 8 of the Ministerial Decision on the TRIPS Agreement. It is concerning that we have already lost three months of the six months timeline from the Ministerial Decision to deliberate and conclude on the extension that will allow the production and supply of COVID-19 diagnostics and therapeutics. We believe that the extension of the decision to cover production and supply of COVID-19 diagnostics and therapeutics will cap supply shortage in the event of unprecedented outbreak of COVID-19 variants. The conclusion of this matter will indeed demonstrate the important contribution that the WTO as a rule-based multilateral institution can make in response to the pandemic. Botswana is ready to engage with other WTO Members in taking this matter forward.
- 4.59. The representative of <u>Indonesia</u> delivered the following statement:
- 4.60. At the outset, Indonesia would like to associate itself with the statements made by South Africa, and other co-Sponsors of the IP/C/W/669 document. Despite positive trends on global COVID-19 cases, we should not be lulled into this false sense of security. According to the WHO, the decrease in cases is due to the reduction of testing and monitoring capacities. They further warn

that the upcoming winter may reverse downward trend in global COVID-19 cases. This crisis is not over yet and that is exactly why the decision to extend the Agreement to therapeutics and diagnostics, as contained in Paragraph 8 of the Ministerial Decision, becomes that much more important. At this meeting, Indonesia will not go into details of how accessibility, availability, and affordability of therapeutics and diagnostics still pose as a challenge to developing and LDC Members, as we have continuously done so in our statements as well as the many previously submitted documents, including the recently submitted document RD/IP/49 by the co-sponsors of the TRIPS waiver. In short, we have done our part. Instead, we would like to suggest that rather than spending times to debating on why therapeutics and diagnostics are important, while rehashing the same old debate we did many months ago, let us move forward and fulfil the mandate to extend the Ministerial Decision to therapeutics and diagnostics. The clock is ticking, and the WTO should not repeat the same mistake by simply being a bystander and watching people die, while we debate on the course of action to take – an action that should be comprehensive enough to cover all types of countermeasures needed for the prevention, containment, and treatment of COVID-19.

4.61. The representative of <u>Pakistan</u> delivered the following statement:

4.62. We echo the statements made by South Africa and other co-sponsors. We wish to acknowledge the efforts of TRIPS Council aimed at leading us through the mandate from the MC12 and welcome the oral report delivered by the TRIPS Council Chair in this General Council. The demandeurs for this waiver have engaged in the spirit of Paragraph 8 of the Ministerial Decision. Several questions raised, though well taken, had already been answered in documents IP/C/W/670 to IP/C/W/674. The discussions amongst Members, we are afraid, seem to be taking on the same circular tone that made easements on the vaccines much delayed. The purpose of seeking this waiver has been to enable the developing and LDC Members to have unhindered and affordable access towards fundamental right to life in the face of this unprecedented virus and to build a defence against probable forthcoming waves of COVID-19 which cannot be guaranteed with vaccines alone. Vaccines build passive immunity which alone cannot be relied upon, and the need of a test and treatment mechanism in the form of affordable therapeutics and diagnostics is not only important but is complementary to the very purpose of the TRIPS Waiver itself. With the first eight months of 2022 seeing more than 1 million COVID-19 related deaths and WHO recently terming coronavirus as an "acute global emergency", the horrors of the pandemic may have slowed down, but morbidity cannot be ignored. While schedule of meetings from the TRIPS Chair has been recently issued, we now have less than three months to come to a decision. Pakistan urges the Membership to not only agree on the scope and utility of therapeutics and diagnostics in the narrow window of time available, but to do so recognizing the fact that inability to test and treat this deadly virus is still a missing link in WTO's effort to tackle it. I would like to read out the complete statement of the WHO Director-General partially quoted earlier that we are not there yet, but the end is in sight, and he went on to liken the pandemic to a marathon race. He said, "Now is the time to run harder and make sure we cross the line and reap the rewards of all our hard work." Pakistan urges Members to arrive at a consensus decision in line with the Ministerial mandate on this issue. It will not reflect well on this organization if we decide to close our collective eyes and wait for a date to pass by. The world will not be COVID-free on 18 December 2022.

4.63. The representative of <u>India</u> delivered the following statement:

4.64. First of all, I would like to thank the TRIPS Chair for his report to the GC made under his own responsibility and I would like to thank all the Members who participated in this debate on agenda item 4. I would also like to support the statements made by South Africa along with other cosponsors. We would appreciate if the TRIPS Council kept the practice of sending a formal oral status report to the General Council rather than having the co-sponsors proposing this agenda item at every General Council. The second suggestion is on retreats. Retreats are the flavour of the season and therefore we hope that apart from fish, agriculture and WTO reform, we can also have a retreat to discuss the TRIPS Ministerial decision and Paragraph 8 of the Ministerial mandate but that should not be organized outside Geneva. We hope that we are all on the same page on the urgency of this issue and while more than three months have gone and only little over two months are left, we do not prolong the debate and discussions and wait for another wave to hit us somewhere before we are able to extend this decision to therapeutics and diagnostics. We thank the TRIPS Council Chair and the Secretariat that finally we have a schedule of meetings ahead of us, that the proponents had proposed way back in July and I hope that these meetings are utilized optimally, and circular discussions, need for providing endless evidences are avoided. Let us work together so that we are

on the path of delivering on this particular mandate from our Ministers before 17 December. No doubt that test and treat is the model which every scientific and medical community has backed because vaccine is not providing prevention and the economic condition around the globe is such that another lockdown or similar measures are not going to sustain the economy. So, it is better that proactively we should follow the test and treat model and for that affordability, availability, and accessibility of therapeutics and diagnostics, is very much important.

- 4.65. The representative of <u>Canada</u> provided the following statement:
- 4.66. Following the MC12 decision, Canada remains committed to engaging constructively with all WTO Members on the TRIPS waiver. Canada remains interested in seeing Members have an evidence-based discussion to determine whether Members have encountered difficulties related to or arising from the TRIPS Agreement with respect to the production and distribution of diagnostics and therapeutics against COVID-19. In particular, we note and welcome the Secretariat's compilation of issues raised by Members at the 19 September meeting of the TRIPS Council, and look forward to further discussions, including on the basis of these issues. Canada remains of the view that this discussion would allow the TRIPS Council and the WTO to contribute to a broader understanding of the factors affecting the production and distribution of diagnostics and therapeutics for COVID-19 and contribute to our collective ability to act concretely and effectively to address all challenges not only within the TRIPS Council, but more broadly. We look forward to continued dialogue with all WTO Members on this issue, including at the next session of the TRIPS Council on 12-13 October.
- 4.67. The representative of <u>Brazil</u> provided the following statement:
- 4.68. The waiver agreed during MC12 is a balanced result between the urgent challenges posed by the COVID-19 pandemic and safeguarding the TRIPS regime within the WTO. The ministerial decision has preserved the integrity of the TRIPS agreement while also improved and accelerated procedures and requirements related to the use of compulsory licensing provided for by Article 31 bis. In June, we all also decided to continue discussing a potential extension of the waiver to cover diagnostics and therapeutics. Brazil understands that the same balanced approach achieved at the MC12 should guide us in the negotiation process on the extension of the TRIPS waiver. As we did at MC12, Brazil will continue to work closely with other Members with a view to achieve a balanced result that both addresses the concerns and needs of many Members throughout the world, particularly developing and LDCs, and also preserve the integrity of the TRIPS regime.
- 4.69. The <u>Director-General</u> saw both encouraging and discouraging notes in the debate. She was glad that Members had it so that they could see the tone. The willingness for all sides to look at the issue and try to come to a conclusion was encouraging. She hoped Members could avoid the very pointed and polarized approach they had had before with the vaccines and instead build on their ability to have come to a conclusion on that to try and come to some conclusion on how to handle this issue. She had also heard the suggestion by India for a forum to discuss this which could be taken up with the TRIPS Council Chair. On her part, she stood ready to work as fast as possible to support all Members to try and meet the mandate given at MC12.
- 4.70. The General Council took note of the statements.
- 5 TRADE RELATED CHALLENGES OF THE LEAST DEVELOPED COUNTRIES AND WAY FORWARD: PROPOSAL FOR A WTO SMOOTH TRANSITION PACKAGE IN FAVOUR OF COUNTRIES GRADUATED FROM THE LDC CATEGORY (WT/GC/W/807/REV.1) REQUEST FROM DJIBOUTI ON BEHALF OF THE LDC GROUP
- 5.1. The representative of <u>Djibouti</u>, <u>on behalf of the LDCs</u>, delivered the following statement:
- 5.2. While the LDC Group was highly disappointed with the lack of treatment of this issue at MC12, we have redoubled our work and come forward to the General Council with this submission. The need for a formal mechanism in the WTO to ensure a smooth and sustainable transition for Members leaving the LDC category is a top priority for our Group. Today, 16 LDCs officially meet the two graduation criteria set by the United Nations to leave the LDC category. At the last triennial review, another ten met one of the two criteria, putting them on a strong pathway to graduation. For them, the abrupt loss of international support measures including trade-related ones could have large negative impacts. On top of that, the trade downturns triggered by the COVID-19 pandemic and the

food and energy crises resulting from the global geopolitical situation further threaten to reverse many of the development progress achieved by LDCs. This makes a smooth and sustainable transition mechanism, in line with recommendations of the UN General Assembly, more urgent than ever. In this context, the absence of a concrete outcome at MC12 on this topic, despite the concessions made by the group, and the wide support gathered for its interim proposal, is a matter of serious concern.

- 5.3. Today's submission provides the basis for continuing this discussion and reaching a long overdue agreement on this urgent matter. It reviews our October 2021 submission WT/GC/W/807 based on discussions so far and reflecting concerns expressed by Members in a constructive and pragmatic way. The submission contains two main aspects: first, a draft General Council decision on DFQF preferences and second, a proposed package of special and differential treatment provisions in WTO agreements and decisions and LDC-specific Technical Assistance and capacity building to be extended over a certain period of time for those leaving the LDC category. In the first part, the General Council decision simply encourages Members to have procedures in place to extend and gradually phase out unilateral trade preferences granted to LDCs over a period of six years, or a period determined by the preference granting Member. It applies to programmes that determine eligibility based on the listing by the UN of a country as a Least Developed Country. The rationale for the proposed six-year period is to follow the two triennial reviews undertaken by the UN CDP to monitor the post-graduation phase. It corresponds to the period during which Members leaving the category are particularly vulnerable and require special attention to secure a smooth and sustainable transition. Overall, the text of the draft decision largely reflects the language discussed informally during MC12, but which was not taken up for decision. Let me insist on the fact that the LDC Group has made particular efforts to integrate concerns by other Members. It is therefore our expectation that the General Council could adopt this decision expeditiously.
- 5.4. The second part of the submission proposes special and differential treatment provisions in WTO agreements and subsequent decisions to be extended over a certain period for those leaving the LDC category. This includes LDC-specific technical assistance and capacity building programmes provided under the WTO system. This would mean that those leaving the LDC category should remain eligible to benefit from these programmes and facilities after graduation for a period to be negotiated, as is currently done by the EIF. Besides technical assistance and capacity building, the submission identifies in its Annex 2 a limited number of flexibility provisions in both WTO Agreements and Decisions to be extended after graduation. It is important to highlight here that the list in annex 2 only represents a subset of the broader universe of flexibility provisions under the WTO system. These provisions have been singled out given their critical importance in ensuring a smooth and sustainable transition. Here again, the idea is not to create new flexibilities but only to extend some of the existing ones. This departs from the earlier LDC submission calling for extending all flexibility provisions and shows once again the willingness of the Group to be constructive and pragmatic. In the interest of time, I will not go through all the provisions envisaged in Annex 2. Let me however highlight a few aspects. For flexibility provisions, which are not limited in time in WTO Agreements or Decisions, the proposal is to extend access to existing flexibilities for a period of X years, to be decided by Members. Where flexibilities are time bound, our proposal is to extend them for a period of X years after graduation or until the end of the final extension period or waiver granted to LDCs, whichever date is earlier. Finally, the submission proposes that for flexibility measures and exemption incorporated in future WTO Agreement, or other relevant Decision, special modalities should be incorporated to take into account the need to ensure a smooth transition after graduation. A general principle would be to ensure that if a Member graduates during a transition period for LDCs, it should be entitled to utilize the remaining period of delay. In conclusion, let me reiterate that from an LDC perspective this topic remains a top priority. The proposed approach does not create new flexibilities, but simply requests a time bound and gradual phase out of critical support measures. A first next step should consist in deciding on the Draft GC Decision (Annex 1) and initiating consultations on the second part, for extension of LDC-specific Technical Assistance and Special Treatment, to be reported at the next General Council meeting.
- 5.5. The representative of <u>Bangladesh</u> delivered the following statement:
- 5.6. Under this item, Bangladesh aligns with the statement delivered by Djibouti on behalf of the LDC Group. The communication WT/GC/W/807/Rev.1 is built on our previous submissions. Ministers in MC12 outcome document Paragraph 5 acknowledge the particular challenges that graduation presents including the loss of trade-related international support measures. They also recognize that

certain measure in WTO can play significant role to facilitate smooth and sustainable transition for the Members who leave the LDC category. LDC Graduation will not fix our inherited challenges overnight, on the other hand, all LDCs will graduate eventually, and this is a target of the global community. Therefore, the LDC Graduation is not the priority of LDCs only. A decision in the WTO to extend the LDC-specific flexibilities for a few more years after graduation from the LDC category will have negligible impact on global trade. The present submission accommodates ideas and suggestion from numerous informal exchanges with delegations before and after the MC12. The LDC group is grateful to all delegations for their continuous support and positive engagement. We have brought some significant changes in the submission if compared to the previous submissions. The submission in two parts is quite flexible. The first part is a draft GC decision for post-graduation extension of the unilateral trade preference for over a period of six years corresponding to two triennial reviews by the UN CDP, or a period determined by the preference providing Member. It proposes a best endeavour approach which is non-binding and an 'encouragement' to extend LDC-preferences to Members after graduation from the LDC category. The proposed draft decision will not create any legal obligation on any Member. We request the General Council to approve this draft decision in an expeditious manner. This will also be a testimony that, at the WTO, we do not always wait for the Ministerial Conference to make a decision.

5.7. For the second part, the LDC Group has proposed principles to extend the LDC-specific WTO special treatment and the LDC-specific technical assistance and capacity building after graduation. The Annex 2 provides a limited list of LDC-specific special treatment measures which are left with X years to suggest the length of extension after graduation. This is kept open for further discussion. At MC12 outcome, our Ministers recognize that certain measures in WTO can help facilitate smooth and sustainable transition and Annex 2 is the selective list of those measure that would help. We also stress that the listed measures are all existing LDC-specific treatment, currently available for all LDCs equally. And we do not propose any new flexibility. The only issue is whether to extend the listed measure and, and in that case, what would be value of X or whether it would be a uniform number. The same would be required for LDC-specific technical assistance and capacity building extension after graduation. Implementation of modalities for these measures through a Ministerial decision may in effect be considered as a peace clause. The LDC group will continue discussions with Members to get a good sense where to do the technical work for this part with an expected timeline. We suggest that one particular WTO body should do the work, otherwise it would be difficult for the LDC Group to split in several bodies. Previously, many delegations supported that LDC Sub-Committee would do this work and report back to the General Council if the General Council provides such mandate. On the expected timeline, we appeal to complete the work much ahead of MC13. Bangladesh along with the LDC Group remains confident that WTO Members will engage in constructive discussions and succeed in finding the best way to crystalize the smooth transition package for the LDCs in the WTO disciplines and we look forward to engaging with our partners.

5.8. The representative of <u>Angola</u> delivered the following statement:

5.9. The Angola delegation aligns itself with the statement made by Djibouti, on behalf of the LDC, by Kenya, on behalf of the ACP, and by Cameroon, on behalf of the African Group. We would like to express our continuous commitment and total support to an interim arrangement for a smooth LDC transition for 6 to 9 years, granting LDCs unilateral trade preferences and preferential market access. Nevertheless, we do think that the concept of a smooth transition graduation process is not enough to help LDCs nowadays judging by the constant economic imbalances that they continue to face as a threat to reverse development gains achieved in recent years. There is on the table a revised proposal from the LDCs, in which we propose a smooth transition package. The Members of this Council seem to carry out a better assessment, judging by the provisions of special and differential treatment in the different WTO agreements. The process of LDC graduation cannot stand mainly as an econometric evaluation or reward-alike gift for GDP yearly gains. In these difficult times, it has become a major strategic, profound commitment towards a new long-term sustainable development of LDCs. Therefore, their full integration in the global economy through renewed aid, cooperation, and investments must include economic, social, and health resilience at the core of the graduation steps forward. In consequence, Angola expects that the MC12 outcomes will add up to the smooth transition concept as a firm declaration to support the economic and social recovery of graduating LDC and thus demands a new UN decennial specific program and assistance package of action able to gather in one robust framework all the different agencies, projects, and financial resources presently dispersed or casuistic in methods, access, and implementation. This new ten-year programme of action is urgent for LDC's sustainable development and fair integration in the world economy and global trading system in the context of the 2030 Sustainable Development Goals. In conclusion, the delegation of Angola suggests the General Council to include a congruent declaration in the present LDC graduation proposal as an institutional contribution to the forthcoming Fifth UN Conference on Least Developed Countries (LDC5) expected to take place next year in Doha, Qatar. Angola reaffirms its statements made at the last two meetings of this Council on this subject and reasserts the commitment to the LDC Group proposal.

- 5.10. The representative of <u>Pakistan</u> delivered the following statement:
- 5.11. We thank the LDC Group for their revised proposal outlining the required support while graduating from the LDC Category. We all are now familiar with the 4Cs crises, COVID-19, climate change, conflict and cost-of-living. They are the hard realities for both developing and least developed economies. But these are especially more relevant in the context of slowing down of global growth from 2.5 per cent in 2022 to 2.2 per cent in 2023. This proposal would contribute to address the challenges stemming from these 4Cs and would allow the continuation of their post-graduation development. We therefore call on Members to consider this proposal positively.
- 5.12. The representative of <u>Cambodia</u> delivered the following statement:
- 5.13. My delegation aligns with the statement made by Djibouti on behalf of the LDC Group. I would like to add to what Djibouti already mentioned by providing some data for consideration as to why this decision is critical for development and strengthen resilience of graduated LDCs. I would like to point out that LDCs' share of world export of goods is currently at 1.01% and it will be around that rate for the foreseeable future, and this is despite LDCs receiving preferential market access. In relation to this, I must point out that we have by far missed the target of SDG 17.11 that aimed to double LDCs' share of global export by 2020. Therefore, the proposed transition period would go a long way in sustaining and accelerating the level of development of graduating LDCs and to avoid falling into a situation that stagnate development progress. I would like to point out that the LDC Group has been listening to views of all Members. The LDC Group's submission has gone through many changes, and this reflects strong flexibility and full engagement on our part. We once again would like to urge all Members to work constructively on this proposal, the details of which have already been outlined by Djibouti on behalf of the LDC Group and by Bangladesh, the Focal Point on Graduation. I would like to reiterate that we are fully ready to engage all partners to discuss this proposal toward a positive outcome.
- 5.14. The representative of Nepal delivered the following statement:
- 5.15. I associate with the statement delivered by Djibouti on behalf of the LDC Group. This is an agenda which we have not been able to conclude despite overwhelming support from a large scale of the Membership for the last three years. This is also an agenda for inclusive multilateral trading system. I thank all Members who have wholeheartedly supported this agenda item. The LDC Group has revised its proposal by making the substance clearer by taking into account the concerns raised by few Members. Our demand is not for new areas but just for a continuation of existing facilities and flexibility for a few more years after graduation. It should not be linked with any other issue in the WTO as it is simply a question of providing a few more years after graduation. My delegation stands ready to constructively engage with Members for an early conclusion of this matter.
- 5.16. The representative of <u>Cameroon</u>, <u>on behalf of the African Group</u>, delivered the following statement:
- 5.17. The African Group aligns itself with the statement delivered by the LDC Group. We continue to lend our full support to the LDC Group's proposal aimed to ensure a smooth transition following graduation from the LDC category. The proposal submitted by the LDC Group is in line with the core objectives of the WTO, and it is important for the most vulnerable Members amongst us. We therefore express our regrets that Members could not agree on an outcome on this important issue at MC12, and we call on Members to engage constructively in the coming months, with the view of reaching consensus as soon as possible before MC13.

- 5.18. The representative of Norway delivered the following statement:
- 5.19. We are happy to see that several LDCs are now approaching the next step in their development. Graduating is good. Looking at the revised proposal, we commend the proponents for being receptive to concerns regarding Members rights to design their own GSP programmes unilaterally. The new proposed wording is clearly an improvement to this effect. As for Norway's GSP programmes, these include favourable treatment for a wide range of Members with higher incomes than the LDC category. Further, we would also like to commend the proponents for presenting clearly the special and differential treatment they wish to include in the transition package in Annex 2. This could be a useful basis for discussions and such discussions may well be conducted in the dedicated Sub-Committee for LDCs under the Committee for Trade and Development.
- 5.20. The representative of the <u>United Kingdom</u> delivered the following statement:
- 5.21. At the last General Council, we acknowledged the flexibility the LDC Group has shown in their efforts to secure an agreement at MC12. It is a shame we were not able to resolve this issue at MC12. We thank the LDC Group for continuing to approach this issue in the spirt of compromise. We remain committed to working with the LDC Group and interested parties to talk about LDC graduation and how to further integrate LDCs, and graduated LDCs into the multilateral trading system. This is why we had a UK Director-General over in Geneva last week to officially launch the UK's new Developing Countries Trading Scheme (DCTS) which is intended to come into force in early 2023. The DCTS is more generous and simpler than the existing UK trading preferences scheme has been in the past. It is one of the most generous preferential trading schemes in the world demonstrating the UK's commitment to trade for development. We look forward to discussing our new scheme with the LDC Group. We are interested to see the LDC Group's proposals on S&DT measures and exemptions in Annex 2. We will look at the evidence for why these specific provisions have been identified and suggest that the evidence be discussed at a more technical level, for instance, in the LDC Sub-Committee as others have suggested. The UK remains committed to working with the LDC Group and other partners to reach an agreement on this issue which will satisfy all parties.
- 5.22. The representative of Nigeria delivered the following statement:
- 5.23. Nigeria is surrounded by LDCs, and we understand their development challenges. Nigeria has been in support of the LDC Group's proposal, and we therefore urge Members to consider their request especially on the request for extension of technical assistance and capacity building and flexibilities for some years after graduation. The consideration of their proposal will no doubt assist them in their continued effort to addressing their economic and development challenges which we believe will be for the best interest of all.
- 5.24. The representative of the <u>United States</u> delivered the following statement:
- 5.25. We recognize the challenges faced by least developed countries. As we have stated before, we share the LDCs' goal to seek to develop better tailored approaches to address specific needs and circumstances of individual or similarly situated Members for future negotiations. We have indicated that we are willing to consider flexibility in future negotiations for developing Members that have recently graduated from LDC status as long as other similarly situated developing Members have access to the same tailored flexibilities. Before MC12, we signalled an openness to an encouragement to Members to incorporate transitional periods in their goods preference programmes, as appropriate, and in a manner that did not create problems for how Members manage their unilateral programmes. However, the draft proposal tabled today is far too prescriptive to reach consensus. We encourage the proponents to consider where the discussions were in June and to formulate a proposal along those lines. We believe the best course of action is to bring this revision to the CTD Special Session for further discussion, in line with Paragraph 2 of the MC12 Outcome Document (WT/MIN/(22)/24), which instructs officials to continue to work on improving the application of S&DT in the CTD SS and other relevant venues in the WTO.
- 5.26. The representative of the <u>European Union</u> delivered the following statement:
- 5.27. At MC12 in June, Members acknowledged the particular challenges that LDC graduation presents. The European Union has heard and engaged with LDC concerns throughout the run-up to MC12 and we will continue to do so now. The European Union continues to believe that there should

be support and flexibilities for WTO Members, commensurate with their needs and capacity constraints, beyond the group of LDCs. The European Union takes note of the revised proposal. We welcome the specifications in Annex 2 which require further discussion. We especially encourage discussions based on analysis that shows where specific difficulties exist. In the area of trade specifically, the aim of the European Union is to focus on how to facilitate and enhance the Members' capacity to assume commitments that foster integration in the global economy. In our view, that is the best way that the WTO can effectively contribute to sustainable development.

- 5.28. The representative of Kenya, on behalf of the ACP, delivered the following statement:
- 5.29. The ACP Group thanks Djibouti for circulating the revised proposal for a WTO smooth transition package in favour of Members that have graduated from the LDC category. The Group continues to pledge its full support for this important submission on behalf of the LDC Group and calls on other Members to also support it. The ACP Group believes that graduation is never automatically accompanied by favourable conditions that warrant immediate relinquishing of LDCs' flexibilities. As indicated in the revised proposal, the abrupt removal of International Support Measures (ISM) for graduating LDCs can result in negative impacts for them after their graduation. This has been worsened by the COVID-19 pandemic as well as the prevailing food and energy crises arising from the global geopolitical situation. As the ACP Group comprises of several LDCs, we urge all Members to consider and support the proposal so as to reach an agreement that is acceptable to LDCs, and which will indeed fulfil the UN mandate of smooth transition of all LDCs when they graduate from LDC status.
- 5.30. The representative of <u>India</u> delivered the following statement:
- 5.31. India once again reiterates its support for the LDC proposal and we hope that the revised document addresses concerns raised by some Members and is able to forge a consensus for an expeditious outcome on this important file, including a reasonable period for graduating Members. In the present day when we all are facing COVID-related shocks, as well as many least developed countries are facing a balance of payment crisis, it would be more prudent to take expeditious action on this file, so that we avoid the problem of slip back for them.
- 5.32. The representative of <u>Switzerland</u> delivered the following statement:
- 5.33. As we signalled at earlier meetings, Switzerland is ready to discuss ways and means to support LDCs that face a changing environment due to graduation. As a first reaction, we welcome the increased specificity and flexibility, taking into account concerns voiced. This has significantly improved the proposal in our view. However, internal consultations are still underway, and we will revert back to the proponents and Members at a later stage.
- 5.34. The representative of <u>South Africa</u> delivered the following statement:
- 5.35. The topic of LDC graduation has generated increasing interest since the adoption of the LDC Ministerial Declaration in 2017 calling for positive action on LDC graduation. Since then, the LDC Group has put forward several graduation-related proposals in various WTO bodies. It is regrettable that there was no outcome on this important issue at MC12. In our view, LDC Graduation is not the priority of LDCs only. This is overall a development issue. We are aware that a significant number of LDCs are in the graduation line and eventually all of them will graduate from the LDC category. In Paragraph 5 of the MC12 outcome document, Ministers acknowledge the particular challenges that graduation presents including the loss of trade-related international support measures. They also recognize that the WTO can play an important role to facilitate a smooth and sustainable transition for the Members who leave the LDC category. As the submission correctly states, while meeting the graduation criteria remains a major achievement, graduated LDCs still face significant trade and development challenges. Graduation means loss of access to a wide range of international support measures which contributes to socio-economic development, including trade-related measures such as preferential market access or special and differential treatment provisions in WTO rules. If not well managed, these risks graduating LDCs falling back to the LDC category if their progress is not sustained. There is therefore a need for the WTO to develop a mechanism that will support the smooth transition of graduating LDCs. We see this as one of the critical aspects of the development mandate and is critical to deliver on the UN General Assembly Resolution 59/209 of 2004. South Africa has been a strong supporter of LDC integration into the multilateral trading

system and supports all efforts to increase their share in global trade. We note that although graduation from the status of LDC marks an important milestone in the development path of each LDC, the phasing-out of support measures associated with LDC status could present challenges for graduating LDCs in their efforts to continue to integrate into the global economy. As the submission highlights, LDCs suffer from various capacity constraints and economic vulnerabilities. Strengthening capacity to trade therefore remains a priority for graduating LDCs and the design of any support provided to LDCs should be reflective of the trade priorities and challenges LDCs have identified. It is thus essential for LDCs and the international community to ensure greater cooperation to better support every LDC with a view to achieving a sustainable graduation. The LDCs have made significant changes to the submission compared to their previous submissions on this issue. The draft decision, as it is proposed, will create no legal obligation on any Member. It will be a good gesture to LDC Members who are struggling in many fronts of development and whose challenges are further aggravated by the ongoing pandemic and the geo-political situation resulting in severe adverse impacts on food, fuel, production, employment, and the economy in general. My delegation supports this submission. We urge all Members to engage constructively on this issue with the aim of providing a better chance for graduating LDCs to integrate into the multilateral trading system. Finally, we associate ourselves with the statement by the ACP and the African Group.

5.36. The representative of <u>Singapore</u> delivered the following statement:

5.37. Singapore welcomes the revised proposal on a Smooth Transition Package in Favour of Countries Graduated from the LDC Category. We thank Djibouti and the LDC Group for their efforts. Allow me to make three brief points. First, LDC graduation is an important milestone, and Singapore commends LDCs' efforts on this proposal. In this connection, Singapore has a long-standing partnership with the WTO to support the developmental journey of developing Members. In fact, at MC1 in 1996, Singapore and the WTO signed an MoU to conduct Third Country Training Programmes for developing and LDC Members. Since then, we have collaborated closely with the Secretariat to conduct programmes on a wide range of topics ranging from dispute settlement to food supply chains. This year, we will be organizing an in-person capacity building programme on Sustainable Trade in Singapore from 23 to 25 November 2022 and we welcome nominations from LDCs. Second, it is worth reminding ourselves that the end-goal of this proposal is to enable LDC Members to better integrate into the multilateral trading system. This means that the transition periods should be reasonable and justified. To this end, the revised period of six years instead of 12 years on the DFQF extension in the draft GC decision is a positive step in the right direction. Third, special and differential treatment can best serve its purpose when it is tailored to the needs of each Member, rather than adopting a one-size-fits-all approach. While we appreciate the specificity of the S&DTs laid out in Annex 2 of the proposal, we should continue to discuss how they will be applied and identify an appropriate timeframe for their implementation. Let me conclude by reiterating Singapore's commitment to engage constructively with the LDC Group on the proposal.

5.38. The representative of <u>New Zealand</u> delivered the following statement:

5.39. We understand the frustration in not being able to reach an outcome at the Ministerial Conference on this matter. New Zealand appreciates the effort and commitment of the LDC Group to this important topic of LDC Graduation. I take the floor to express our interest and commitment to this issue and to confirm that New Zealand is ready to constructively engage in the details. We look forward to working together with all Members in the subsidiary bodies to understand more about the detail of this revised proposal, particularly in relation to the specific elements in Annex 2.

5.40. The representative of <u>Japan</u> delivered the following statement:

5.41. Japan recognizes the importance of providing special measures for developing and LDC Members to engage in the multilateral trading system in a smooth transition and has been providing special preferential treatment for LDCs and general preferential treatment for a wider range of developing Members and continues to do so. Although the proposal by the LDC Group is currently under scrutiny as it was submitted just prior to this General Council meeting, Japan considers that preferential tariff systems and the period for which they are implemented should normally reflect the situation of a providing Member and its beneficiaries. We should therefore carefully consider the issue of establishing in advance criteria for a specific extension period. On the other hand, we are open to discussing measures for Members following their graduation from LDC status in an

appropriate forum in this organization and we will continue to participate constructively in discussions regarding this proposal.

- 5.42. The representative of <u>China</u> delivered the following statement:
- 5.43. We see smooth transition as essential for graduated LDCs to achieve a sustainable graduation. By saying so, it is regrettable that we failed to reach consensus on this important proposal at MC12. The recent shocks have made the transitional period for graduated LDCs more relevant. LDCs have been hit hard by trade downturn triggered by the COVID-19 pandemic. The persistent food and energy crises resulting from the global geopolitical situation have also reversed much of the development progress achieved so far by LDCs. China supports the smooth transition for graduated LDCs. China has been granting preference to graduated LDCs in the transitional period since 2013. In December 2021, China announced to apply duty free to 98% of all tariff lines originating from the LDCs that have established diplomatic relations with China. This topic has been on the agenda for a long time. I am not going to repeat the points we made in the previous meetings. I just want to thank the LDC Group for revising the proposal which further shows their flexibility and effort on addressing concerns raised by other Members in previous discussions. We urge Members to have constructive and proactive engagement with LDCs in the coming discussions with a view to reaching consensus on this important issue as soon as possible.
- 5.44. The representative of the Republic of Korea delivered the following statement:
- 5.45. My delegation welcomes the submission of the revised communication. The effort to submit a revised proposal is consistent with Paragraph 5 of the MC12 Outcome Document, with Paragraph 15 of the Bridgetown Covenant that our colleagues negotiated at UNCTAD last year, and with Paragraph 165 of the Doha Programme of Action adopted by our colleagues in New York at the Fifth LDC Conference. Multilateralism works best when the work of institutions comprising them are congruent and mutually supportive. We note that Annex 1 of the revised submission removes some of the key difficult aspects of the original proposal. For example, while we continue to have questions about the reference to a six-year extension period, the revised language also encourages certain Members to extend their preferential market access schemes "over a period determined by the preference providing Member". We also note that problematic language on support measures being applied automatically, equally and unconditionally [...] for a uniform period" have also been removed in the revised submission. These are positive steps and my delegation stands ready to work constructively with all Members to make real progress on this issue before MC13. At the same time, we have been saying that the LDC Sub Committee is an appropriate place to undertake more substantive discussions on the second element of the proposal relating to special and differential treatment and technical assistance and capacity building. Greater technical understanding is needed as to the implications, whether uniform extension periods are being called for, and relationship with other related proposals such as the G90 Agreement Specific Proposal relating to Article 66.2 of the TRIPS, among others. In this connection, I believe that the suggestion by the United States to discuss the elements of Annex 2 at the CTD Special Session also merits consideration.
- 5.46. The representative of <u>Cabo Verde</u> delivered the following statement:
- 5.47. We take the floor under this agenda item to extend our support to revised proposal of the LDC Group presented today. Cabo Verde graduated from LDC status just as we completed our accessions to the WTO. During our accession process, we tried to secure some additional flexibilities to smooth transition including transition periods. We might have achieved a few results in that regard. However, over time Cabo Verde might have also benefited from the proposal today to address challenges we face after graduation. Nevertheless, while we are not able to benefit, we fully support this proposal for future LDCs graduating from the category. It is important that the Membership agrees to this proposal in advance of MC13 in the context of the General Council. To conclude, we associate with the statements made by the ACP and the African Group.
- 5.48. The representative of <u>Indonesia</u> delivered the following statement:
- 5.49. Indonesia recognizes the different levels of economic development, in particular the difficult challenges faced by the LDCs. With that in mind, the WTO should take its role in creating rules that could allow Members to integrate fairly in the global trade and benefit from the multilateral trading system. Extending the grace period would provide a favourable condition for a graduating LDC to

ensure full integration into the global trading system. Indonesia shares the view that S&DT in trade rules is one of the key tools to address trade-related challenges, particularly for LDC Members. Indonesia wishes to continue its support on the proposal by the LDCs Group and calls all Members to work collectively in order to achieve acceptable outcomes.

- 5.50. The representative of <u>Brazil</u> delivered the following statement:
- 5.51. We refer to our previous intervention on the subject and would like to reiterate our willingness to engage in discussions on the issue of graduation, which is a milestone in LDCs' path for development. Brazil attaches great importance to S&DT for LDC Members and believes that graduating LDCs must receive the adequate support to ensure that they will not experience setbacks during this transition. We must therefore ensure that development is treated as a central issue in our work until MC13.
- 5.52. The representative of <u>Australia</u> delivered the following statement:
- 5.53. As the LDC Group paper itself notes that graduation represents a "major achievement", and Australia supports the development of appropriate transition arrangements in the WTO context to complement the assistance we provide through our bilateral and regional engagement. We welcome the LDC Group's efforts to progress discussion on an appropriate set of measures. To be most effective, these measures ought to be tailored to the diverse economic circumstances and development needs of each graduating LDC. I want to thank the LDC Group for their work on the revised proposal. In particular, we appreciate the extra detail it contains which presents a concrete basis for discussions about a package of measures. We will closely consider the proposed elements and look forward to engaging on the detail of the proposal.
- 5.54. The representative of <u>Canada</u> delivered the following statement:
- 5.55. Canada thanks the LDC Group for its revised proposal on a smooth transition to graduation. We are broadly supportive of efforts to a smooth transition for graduating LDCs. We continue to want to better understand the rationale behind the request, including how this relates to the UN-led process for graduation. We believe it is important that extensions of LDC-specific special and differential treatment should be based on identified needs.
- 5.56. The representative of Djibouti, on behalf of the LDCs, delivered the following statement:
- 5.57. I would like to take this opportunity to thank all delegations for their comments and support particularly to those who outrightly indicated their support. We look forward to engaging with those who are willing to have further clarifications and discussions on our proposal.
- 5.58. The <u>Director-General</u> thanked Members for the constructive debate. The LDC Group had shown some flexibility in their approach and had been working on this for a long time. Members also sounded constructive in their willingness to try and work with the LDCs. This was one thing they could deliver if they worked hard. She encouraged all Members to come to an answer for the LDCs.
- 5.59. The <u>Chair</u> noted that his impression was also that there had been progress in this matter. Like the Director-General, he had heard many delegations expressing readiness to pursue the discussions on these issues with the LDCs. He encouraged delegations to continue their interactions. He had also heard some proposals on how to address these issues at technical level in particular as regards the most appropriate WTO Body to do this work. He therefore invited delegations to address this issue as well in their consultations.
- 5.60. The General Council took note of the statements.

6 COMMITTEE ON BUDGET, FINANCE AND ADMINISTRATION - REPORT ON MEETING OF 15 JULY 2022 (WT/BFA/205)

6.1. Ambassador Bettina Waldmann (Germany), <u>Chair of the Committee on Budget, Finance and Administration</u>, delivered the following statement:

- 6.2. My remarks will focus on the meeting of the CBFA that was held on 15th July. A summary report of the meeting is contained in document WT/BFA/205. Let me begin with the important question of long-term liabilities. The principal sources of long-term liabilities are: (1) the WTO Pension Plan; and (2) the After Service Health Insurance (ASHI). The Management Board of the WTO Pension Plan is currently working on proposals to address the long-term actuarial deficit that was announced earlier this year. Various options will be presented to the CBFA, and action will be required to find a solution for the longer-term. The Chair of the WTO Pension Plan Management Board (Mr. Jean-Marc Dril) will provide further detail under agenda item 9. Another area of important, ongoing work for the CBFA relates to the question of unfunded ASHI liabilities. The Secretariat provided a helpful overview of work that has been previously done to address the issue at the meeting of the CBFA held on 15th July. Details can be found in the report of that meeting.
- 6.3. On the WTO Transformation Process, the Secretariat transformation exercise will continue to be on the agenda of the CBFA as it moves forward. DDG Ellard provided an update to delegations at the meeting of the CBFA held on 15th July, as well as more recently at the CBFA held on 22nd September. In addition, an informal briefing session was held with the Transformation Office on 20th September. Transformation work currently focusses on implementing the outcomes approved so far on rewards (outside of promotion), procurement, risk management, promotions, mobility, recruitment, and career pathways. Work has also been carried out on digital tools and technology. You will recall in this regard that Member input was sought in two consultations sessions held in July. Based on those consultations, a "roadmap" of priorities has now been prepared. Looking ahead, work in this area may include, for example, the development of an intelligent search function to revamp Documents Online. The next phase of work will consist of an important discussion of the strategic direction of the Secretariat. That work has not yet begun. However, Members are eagerly looking forward to providing input to the discussion.
- 6.4. With regard to other important work for later this year, a special meeting of the CBFA was held yesterday, on 5 October. The sole focus of the meeting was to provide the opportunity for the Director-General to present the mid-term review of the budget, keeping in mind the resource needs of the organization for 2023 and the economic context that we are operating in. The Secretariat's proposal is contained in document WT/BFA/W/607. As you may know, the request is that the WTO's budget be increased as of 2023 by 7.7 percent, from CHF 197.2 million to CHF 212.45 million. Half of this increase is linked to contractual, external, and unavoidable costs (or a 3.9 percent increase over the Zero Nominal Growth Budget that has been in place since 2012). The proposal also seeks to improve the Secretariat's resources (18 posts) and expertise to better serve all Members. Consultations with Members will be held in the coming weeks to provide further clarification with respect to any questions that Members may have.
- 6.5. The General Council <u>took note</u> of the CBFA Chair's statement and <u>adopted</u> the report contained in document WT/BFA/205.

7 IMPLEMENTATION OF THE BALI, NAIROBI AND BUENOS AIRES OUTCOMES - STATEMENT BY THE CHAIR

- 7.1. The <u>Chair</u> delivered the following statement⁸:
- 7.2. Let us now move to Item 7 'Implementation of the Bali, Nairobi and Buenos Aires Outcomes'. In my statement under this item, I will only focus on areas where there are new developments to report, and that have not been covered in any way under Item 2. As I said at the July General Council meeting, some of the matters that we discuss under this item intersect with MC12 outcomes. A case in point is the Work Programme on Electronic Commerce, and I would refer you to my statement that I delivered under item 2. Let me also stress that for all matters that fall under this item, and where the situation remains unchanged I would also refer you to earlier statements made under this item at previous meetings of the General Council.
- 7.3. With this background, let me turn to my statement under this item which is based on the information and updates provided by the Chairs of regular bodies on the work carried out in their respective areas.

⁸ The Chair's statement was subsequently circulated in document JOB/GC/321.

- 7.4. On the implementation of the Bali Ministerial Decision on Public Stockholding for Food Security purposes, Members, at the September 2022 Committee meeting, continued their examination of the information notified by the only developing Member who has invoked the Decision upon exceeding the de minimis level for rice for three consecutive years starting in 2018/19. A group of Members had informed the Committee in June 2022 to have requested consultations with this Member under paragraph 6 of the Decision. At the latest September meeting, the consulting Members reported on their continuing divergence on the format of consultations, which has prevented those consultations to take place yet; the requesting Members insists on joint or plurilateral consultations whereas the Member receiving request for consultations prefers those consultations to be held in a bilateral setting.
- 7.5. As regards the follow-up to the Bali TRQ Decision, Members have been engaged in the first triennial review of the operation of the Bali TRQ Decision. At the 14-15 September Committee meeting, Members elaborated on specific elements which they would like to pursue in the Review towards enhanced transparency of TRQ administration. Members at that meeting also approved the Secretariat Underfill Tracking Register to record underfill matters raised under the Bali Decision.
- 7.6. Regarding Duty-Free Quota-Free Market Access for LDCs, the CTD will undertake its annual review of Members' DFQF market access schemes for LDCs in November. For a number of years now, it has not been possible for the Secretariat to prepare its report on this matter for the CTD's annual review given divergent views by some Members on the scope and coverage of the report. In the MC12 Outcome Document, Ministers reaffirmed the MC9 DFQF Decision and instructed the CTD to re-commence the annual review process on preferential DFQF market access for LDCs. The CTD Chair has been holding informal consultations with the concerned delegations to see whether the situation concerning the Secretariat DFQF report can be unblocked.
- 7.7. On Aid for Trade, we recently completed successfully the 8th Global Review of the Aid for Trade Initiative. Looking ahead, the CTD Chair will initiate a discussion on how to take the Initiative forward, including through a new work programme with a view to taking into account the perspectives shared at the Global Review, the prioritization of LDCs' objectives as directed by the MC12 Outcome Document and the DG's recommendation of a pivot to an "Invest for Trade" approach.
- 7.8. And finally, on Trade Facilitation, the ratification rate stands at 95% with 7 Members still to ratify. The rate of implementation commitments currently stands at just under 74% for the entire Membership and at just over 66% for developing countries and LDCs together. The rate of implementation commitments for LDCs stands at just over 37%. Concerning LDCs, and as a result of the final deadline on 22 August for the notification of the category C definitive implementation, for the most part, the roadmap for implementation of the TFA by all Members is now complete.
- 7.9. The <u>Director-General</u> delivered the following statement:
- 7.10. The Aid for Trade initiative has played a very important part in helping build trade related infrastructure and supply side capacity, but it's also time to update and modernize the initiative.
- 7.11. I felt that this message emerged strongly from 8th Global Review of Aid for Trade which was held in late July. There is a clear desire that is already translating into action to move global initiatives towards sustainable development models of growth and trade. Models that are inclusive, sustainable and that capture the economic diversification possibilities offered by both green and digital technologies.
- 7.12. This message was again echoed at last week's Public Forum event. I feel we have an opportunity to capture these new insights in a new Aid-for-Trade Work Programme. More than that I think we also have an opportunity to recast and reinvigorate the great work undertaken through this Initiative.
- 7.13. As I stated at the opening session of the Global Review, I think it's time to move to an Invest for Trade approach. Let me be clear. Aid remains indispensable, in particular for the least developed countries a fact recognized in the MC12 Outcome Document. But aid will only get us part of the way that we need to go in the journey to sustainable development.

- 7.14. Official development assistance needs to work in tandem with and mobilize other sources of finance. Clearly, one part of the solution is international investment flows. Helping to mobilize investment is something that donor and south-south partners approaches are already doing.
- 7.15. Add to that we have public funds that are coming onstream in the form of climate finance and financial sector initiatives such as the Glasgow Financial Alliance for Net Zero. And there is also a growing stock of private financing chasing "environmental, social and governance" returns.
- 7.16. If we put these elements together, it is clear to me that a repositioning of the Initiative is needed. A realignment that ensures that we capture the opportunities for sustainable trade and export diversification.
- 7.17. Another point to make here is that moving to an "invest for trade" approach recognizes that developing countries are of course the authors of their own development. Ownership of the development process by developing countries is of course an essential starting point.
- 7.18. To me, this change in the narrative is empowering and inclusive, both themes that should of course appear in the new Work Programme. And ranking highly either as a donor, south-south partner or recipient of "invest" for trade flows seems more meaningful as a measure than a purely aid-based calculus.
- 7.19. These are a few of my reflections. Of course, you the Members are in the driving seat to set the new course for the next biennium of Aid-for-Trade activities.
- 7.20. I understand that the Committee on Trade and Development will meet on Monday and Tuesday next week.
 - a. On Monday to participate in a workshop on maximizing the economic diversification impact of Aid for Trade. A theme that squares well with my perspectives.
 - b. And on Tuesday in formal session under the stewardship of Ambassador Canabady to consider how to take the work under this important initiative forward. I understand that DDG Zhang will address the meeting on my behalf to elaborate these perspectives further.
- 7.21. I do hope that you will seize the opportunity to provide a sound future basis for this much needed Initiative. I want to see it continue to deliver the excellent work that we saw this summer. The Heads of multilateral organization would like to continue in this regard as well. Let us see how we can change the narrative in this good initiative.
- 7.22. The representative of <u>India</u> delivered the following statement:
- 7.23. First, let me touch upon the public stock holding issue which you have referred and all of us know that in the recently concluded MC12 we have inked some landmark decisions. The intent and spirit behind these decisions reach their finality only when they are formally and effectively brought into effect. It has been nine years since the Ministers provided the Bali decision on the Permanent Solution to PSH. It is said, in the WTO, that the gestation period for any decision is pretty long, even with that reference nine years is a substantial period, even by WTO standards, but the permanent solution to the Public Stockholding is still to find its finality. So, we need to reflect that whether we should be only happy passing the decision and celebrate MC12 decisions, or some of these decisions will fall to the same prey after nine years. A few attempts are being made in the WTO which we see in various configuration and format, to find newer ways to carry the discussion on Agriculture forward. While we welcome such efforts, we would also like to strike a word of caution to the proponents of newer ways that by resetting the existing mandate, the slate will not only be clean, we will end up losing our credibility too.
- 7.24. The food security of communities, societies and nations was never more critical than now. Any new approach that does not consider the centrality of existing mandate on permanent solution to public stockholding to the agriculture negotiation, I am afraid cannot go far. Some Members have said that PSH is one of the solutions to ensure food security and is not the only solution. We completely agree with this, and we never said that it is the only solution. We never said it was the

only solution, in the same breath, we are also saying free trade without supply side augmentation is not the only solution for food security and free trade without supply side augmentation is one of the solutions. If one were to push this argument further, we would like to say there is enough evidence for those who wish for an evidence-based discussion that how public stockholding programme has avoided starvation and provided to the needy and the vulnerable during crisis at least in my country. Can the proponent of trade for food security provide similar evidence?

- 7.25. In fact, during the past two year's crisis, PSH had successfully provided food to the entire Indian population and its neighbours, but free trade has failed to do that. The major agriculture exporters and selective proponents of free trade in agriculture products have failed miserably to rise to the occasion and meet the challenges of food security in the current crisis. The design and implementation of PSH in India have helped India maintain food security for 1.4 bn Indian people during a crisis period of the last two years particularly, and also helped those in need who have approached India for bilateral support for food security. Therefore, rather than a theoretical debate, we may acknowledge a successful model and help Members implement their respective successful models without creating unnecessary barriers and pushing them into lengthy debates for ten years. Finally, from now on, we should first address the mandated issues on priority before the other elements of Agriculture are taken up. In fact, we should find the solution to the Ministerial mandated issues of PSH and SSM and adopt them at the General Council level, as we did in 2014, instead of waiting for the next Ministerial Conference.
- 7.26. Chair, you mentioned in your remarks under this agenda item, regarding a Member who has notified under the Bali Decision and a group of Members who have approached that Member for consultation. I am pleasantly surprised that this issue finds its way into the General Council debate. For transparency, let me take some time to explain this because the Member that notified was India. We have depicted transparently that in the case of rice, we have exceeded the de minimis level and as per Bali Decision, we have transparently notified this in the Committee on Agriculture. To our surprise, the same Agriculture sector or agriculture vertical, has not given its report in the General Council on what has happened to the decision on permanent solution. So, it is an interesting scenario where we have selective reporting on a Member who has notified based on Bali decision. Few Members have tried to consult us, but because of dispute in the nature of format this has not taken place. Now, let me throw some light on the debate and confusion on this discussion if I recall correctly in the month of May, there was a combined letter from a group of seven Members, dated 7 May which was received by us on 13 May, seeking consultation under paragraph six of the Bali decision which we are talking about. Immediately after receiving this, we proposed consultation on 27 May. However, due to the upcoming Ministerial Conference the group of Members refused to engage on that date.
- 7.27. After that, it is interesting that the Member which has been asked for consultations is ready to consult and to discuss, but the group of Members seeking consultations are not willing to engage bilaterally. I do not understand the hesitancy to consult bilaterally and insistence on consultations in a group format. The Bali Decision has not given a format of consultation and in the WTO, it is the first time that Members are not interested in bilateral discussions to resolve a problem. So, sometimes I wonder if this is all just a façade to show something back home while actually these Members are not interested in finding a solution. We insisted on bilateral interaction because these group of 7, joined by another two Members, so nine in total, and I was told from the floor one more supported this but is yet to sign that letter so, 10 developed and developing Members, which are both food exporting and food importing will have different sets of questions. So, insisting on consultations only in a group format is beyond our comprehension. I would like some more clarity from the Members in this august house regarding their problem in discussing the issue bilaterally. I thank the Chair for raising this issue in the General Council.

7.28. The representative of <u>Cambodia</u> delivered the following statement:

7.29. We welcome the implementation of MC12 outcomes and of past outcomes from Bali, Nairobi and Buenos Aires. The Ministers' instructions to further review, promote and implement past decisions in favour of the LDCs are indications that those decisions are not yet fully utilized to the benefit of the LDCs. Specifically, while we acknowledge the decision reached at the Committee on Rules of Origin on 14 April 2022 (G/RO/95) on Preferential Rules of Origin is a step in the right direction to improve ease of market access for the LDCs, other decisions such as the LDC Services Waiver and the DFQF preferential market access for LDCs are yet to be fully operationalized and

implemented. Therefore, we would like to emphasize that upcoming review and promotion of decisions in favour of LDCs from past Ministerials should be done in a manner to facilitate LDCs to use these decisions as tools for their benefit as befitting their intended purposes.

- 7.30. The representative of the European Union delivered the following statement:
- 7.31. On the Nairobi Decision on export competition, the European Union underlines the importance of respecting the Nairobi decision, which is even more relevant in the current food security crisis. On the Bali Ministerial Decision on Tariff Rate Quota Administration, we welcome the adoption at the last meeting of the Committee on Agriculture, on 14-15 September, of the Tracking Register as proposed at that meeting. The European Union welcomes as well the first triennial review of the operation of the Bali TRQ Decision and hopes that the Membership will approach it with pragmatism. We will also continue to contribute successfully to the work stream dedicated to the implementation of the Bali Ministerial Decision on the tariff rate quota administration.
- 7.32. The representative of <u>South Africa</u> delivered the following statement:
- 7.33. From a food security perspective, we are facing rising food inflation and increases in prices of inputs such as fertilizers. In fact, the latest WTO report shows that, year on year, food prices were up 11%, grain prices were up 15% and fertilizer prices were up 60%. This requires that we fast track the implementation of previous Ministerial decisions that can provide Members with policy tools to promote food security. In particular, we need to conclude the outstanding work on disciplines on the trade distorting domestic support, permanent solution on PSH, disciplines on cotton and SSM. The retreat that used to be organized on 24 October is a start, but we need to sustain the discussion towards a food security and livelihoods package. The longstanding G-90 proposals also require serious reflection on what can be done to support developing country Members to promote sustainable and inclusive economic development and recovery. The multiple crises which currently affect disproportionately developing ones require that we continue to have the development mandate underpin the work of the WTO. We hope we can deliver on the outstanding issues on development.
- 7.34. The representative of <u>Cameroon</u>, <u>on behalf of the African Group</u>, delivered the following statement:
- 7.35. We regret that at MC12, a permanent solution could not be found on PSH for all developing and LDC Members. African countries are especially vulnerable to the growing challenges of food security. That is why we need a permanent solution to be set up on PSH one which effectively supports national producers. This is an important topic. Our Group stands ready to work with all Members in this vein. We would like to thank those Members who have expressed their willingness to work with us and we call on others to join up to improve global food security rules.
- 7.36. The representative of <u>Australia</u> delivered the following statement:
- 7.37. The EU spoke well on behalf of those engaged in the Committee on Agriculture. I will not go into detail on the question of engaging with the Member in relation to consultations on de minimis limits for PSH programs on rice. It is clear however that there is an appetite for solutions on domestic support for public stockholding. There is also an appetite for broader solutions on domestic support dating back 22 years. This appetite remains unfulfilled. It is important we recall that domestic support for public stockholding is a permitted form of domestic support under the Agreement on Agriculture. None of us are against progress in this area, but it is important to recognise there are important safeguards in the Agreement that apply to domestic support. Beyond that, as South Africa just pointed out, there is a need to make progress on disciplines on both domestic support and domestic support for PSH. We have long said we are willing to continue efforts on both fronts. What we learnt at MC12 was that negotiations on domestic support, and domestic support for public stockholding, cannot be done in isolation. We again reiterate - as we did before MC12 several times - that we are willing to discuss these issues as long as it is understood both issues must be addressed together, and long as it is understood that relevant safeguards are also required, just as they are presently under the Agreement on Agriculture. Progress on domestic support disciplines will be important for our future food security and sustainability objectives.

- 7.38. The representative of Indonesia delivered the following statement:
- 7.39. On this Agenda item, Indonesia is of the view that we need to continue in maintaining and advancing the existing Ministerial mandates. It is important that we are not be neglectful of our existing homework in implementing the outcomes from Bali and Nairobi. Indonesia remains committed to implement the Ministerial mandates and would like to reiterate our priority in delivering on mandated issues in agriculture towards a permanent solution on PSH as well as a comprehensive and balance outcome on SSM. While we are aware of new challenges and are open to new ideas, Indonesia believes that as Members of a rules-based organization, we must adhere to mandates that we have agreed on by consensus. An initiative to take stock of new and fresh ideas is welcomed, but we should not start from scratch and ignore existing mandates. Agriculture reform is indeed urgently needed to create a fair and balance discipline that addresses current challenges and their impacts on food security and livelihood security.
- 7.40. The representative of <u>Pakistan</u> delivered the following statement:
- 7.41. Pakistan would like to recall our previous statements under this item, and to draw attention to the lacklustre implementation record of previous Ministerial outcomes. The development mandate remains critical in efforts to promote sustainable economic recovery. In order for the system to function, it has to address and respond to issues of concern especially to the majority of its Members. As mentioned earlier, we urge you, Chair, to build a mechanism within the existing framework where unfulfilled mandates and unimplemented decisions of the past are not only highlighted but considered for rapid implementation through this council. I would like to briefly touch upon two Bali Ministerial Decisions. Firstly, it mandated a permanent solution to public stockholding with a clear timeline of next MC. Some members said yesterday and today about taking small steps in the right direction instead of ambitious giant leaps, just the way we did in fisheries subsidies agreement. We feel that delinking of discussion on permanent and a nontrade-distortive solution to PSH from other pillars is a small step in the right direction. Secondly, The Trade Negotiation Committee was tasked at Bali to work on the outstanding issues of Doha Development Agenda particularly on agriculture, development, S&DT as well as LDC issues. That outstanding work still stands out as key disappointments and expression of inability to implement agreed decisions and mandates. Delivery on these issues could clear doubts and restore credibility of the system. 'Development' must remain the cornerstone of our efforts to enhance trade and implement WTO rules.
- 7.42. The representative of Djibouti, on behalf of the LDCs, provided the following statement:
- 7.43. The LDC Group reiterates its intervention at the last General Council meeting in July. We look forward to the necessary process in the relevant bodies to carry out the instructions from Ministers in the MC12 Outcome Document paragraph 8.
- 7.44. The General Council took note of the statements.

8 WORK PROGRAMME ON SMALL ECONOMIES - REPORT BY THE CHAIR OF THE DEDICATED SESSION OF THE COMMITTEE ON TRADE AND DEVELOPMENT

- 8.1. The <u>Chair</u> 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. At MC12, Ministers had reaffirmed their commitment to the Work Programme and had instructed the CTD to continue its work in Dedicated Sessions under the overall responsibility of the General Council. In this respect, the Chair of the CTD provided regular progress reports of the ongoing work in each regular meeting of the General Council.
- 8.2. Ambassador Usha Chandnee Dwarka-Canabady (Mauritius), <u>Chair of the Committee on Trade and Development</u>, delivered the following statement:
- 8.3. Let me start by recalling the Decision taken by Ministers at MC12 on the Work Programme on Small Economies, which is found in documents WT/MIN(22)/25 and WT/L/1136. The Ministerial Decision contains, inter alia, a reaffirmation of Members' commitment at Ministerial level to the Work Programme on Small Economies. Note is taken of all the work conducted to date, and the CTD is

instructed to continue its work in the Dedicated Session on Small Economies under the overall responsibility of the General Council. The Dedicated Session is to 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 into the multilateral trading system. In terms of future work in the Dedicated Session, the Decision instructs the WTO Secretariat to provide relevant information and factual analysis for discussion among Members on the topic of "integrating small economies into the post COVID-19 economy: effects of the pandemic, challenges and opportunities."

- 8.4. As I previously reported, the Dedicated Session agreed earlier this year on an outline for a Secretariat paper on this mandated topic. The Secretariat document, which will be substantive and statistical in nature, will form the basis for the discussions that will take place in the Dedicated Session. I recently met with the Secretariat on this matter, and was informed that work on the paper is progressing well, on the basis of the most recent statistics available. Once the Secretariat document has been finalized and circulated, a meeting of the Dedicated Session will be convened, so that Members can begin their discussion on the important topic of integrating small economies into the post COVID-19 economy. Let me close by encouraging all Members to participate actively in the discussions that will take place in the Dedicated Session. I also take this opportunity to once again call on all Members to continue to engage in order to frame responses to the trade-related issues identified for the fuller integration of SVEs into the multilateral trading system.
- 8.5. The representative of <u>Guatemala</u>, <u>on behalf of the SVEs</u>, delivered the following statement:
- 8.6. Before turning to the substance of the SVEs intervention, we would like to express our disappointment after observing that, contrary to well-established practice, this agenda item has been moved almost to the end of the meeting. Traditionally, the discussion on the Work Programme on Small Economies has been placed as the third or fourth agenda item. The Work Programme on Small Economies, and the Ministerial Decision that reaffirms its mandate, are important outcomes of the twelfth Ministerial Conference. Thus, these issues are better placed after the agenda item on "implementation matters from MC12" (i.e., the agenda item 2 of this General Council's meeting). In this regard, on behalf of the 32 Delegations that conform the SVEs Group, we respectfully request to you, Mr. Chairperson, to maintain this issue of the agenda after the agenda item dealing with the implementation matters from MC12. Turning to the agenda item at issue, the SVEs Group would like to thank the Committee on Trade and Development Chairperson for her report on the Work Programme on Small Economies, to which I will simply refer at this meeting today as the "Work Programme". As I have already mentioned, the Ministerial Decision on the Work Programme is an important outcome of the 12th Ministerial Conference. Ministers have reaffirmed their commitment to the Work Programme and mandated further work, this time on the topic: "Integrating small economies into the post COVID 19 economy: effects of the pandemic, challenges and opportunities."
- 8.7. The SVEs Group would also like to thank the Chair of the CTD Committee for her report on the progress of the Secretariat's background note that will serve as the basis for the discussions. During our exchanges with the experts from the Economic Research and Statistics Division, we learned that the International Trade Statistics Section that would undertake the study is currently understaffed. This situation is hindering the capacity of that Division to implement a mandate derived from the Ministerial Conference and undertake the study on the Work Programme. The SVEs Group would like to thank the team from the International Trade Statistics Section who, despite their limited human resources available, are making every effort to deliver. We appreciate their dedication. We take this opportunity to highlight the importance of the analytical and substantive work that is being performed by the WTO Secretariat, particularly for the Small and Vulnerable Economies, and the need to strengthen the Substantive Divisions that provide services to Members, to support the implementation of WTO Agreements and provide facts and evidence to underpin negotiations.
- 8.8. The representative of <u>Sri Lanka</u> delivered the following statement:
- 8.9. My delegation would like to align itself with the statement made by the delegation of Guatemala on behalf of the SVE Group. The report highlighted precisely the work being carried out relating to small economies. We have been having discussions at dedicated session of the CTD on numerous challenges and difficulties that small economies have to face including challenges relating to reducing trade costs, particularly in the area of trade facilitation; challenges in attracting investments; challenges emanating from economic and trade impact due to natural disasters. Small and

vulnerable developing economies such as Sri Lanka are currently facing numerous other specific challenges also. These small economies have inherent issues such as lack of product diversification, lack of economies of scale, difficulties in improving productive capacity and competitiveness. Therefore, our future work may take these challenges also into consideration. At MC12, our Ministers have reaffirmed their commitment to the Work Programme on Small Economies and mandated further work, this time on the topic: "Integrating small economies into the post COVID 19 economy: effects of the pandemic, challenges and opportunities". In this regard, we believe that the Secretariat has a significant role to play by compiling necessary reports and statistics. Therefore, as indicated by the delegation of Guatemala as SVE coordinator, my delegation also would like to highlight that statistics division and its international trade statistics section need to be strengthened with sufficient human resources to allow them to continue with the valuable analytical and substantive work, particularly for the Small and Vulnerable Economies. Having said that, my delegation highly appreciates the services extended by the Secretariate so far with all difficulties.

- 8.10. The representative of <u>Cameroon</u>, <u>on behalf of the African Group</u>, delivered the following statement:
- 8.11. We take note of the report, and we commend the Chair for his tireless efforts which led to an outcome in this area at MC12. We are on the view that the multilateral trading system and the rule-making function of the WTO should continue to take account of the special needs and realities of all Members. We welcome the Work Programme on small economies, and we remain committed to engage positively and constructively in the CTD to advance discussions on this very important topic.
- 8.12. The representative of <u>Samoa</u>, <u>on behalf of the Pacific Group</u>, delivered the following statement:
- 8.13. On behalf of the Pacific Islands Group, I thank the Chair of the CTD for her report and we align with the ACP statement by Kenya and SVE statement by Guatemala. SVEs face unique including structural challenges that inhibit our ability to integrate into the multilateral trading system and share the development benefits and the efficiency of trade. These challenges are compounded by climate change and frequent natural disasters, specifically for Small Island Developing States. The impacts of COVID-19 and the spiralling global food and fuel prices have far reaching impacts on our recovery and rebuilding efforts. The SVE work programme must produce tangible results. The SVE programme should not be just another programme intended to be extended at every Ministerial Conference without any tangible results. We must focus on the mandate of framing responses for the fuller integration of small, vulnerable economies, into the multilateral trading system as required by Paragraph 35 of the Doha Agenda and the MC12 decision. We therefore urge Members to engage in good faith, constructively and with genuine intentions to implement meaningful responses to truly integrating SVEs into the multilateral trading system.
- 8.14. The Pacific Islands Group supports the revised proposal by the LDC Group on the Trade Related Challenges of Least Developed Countries, for a WTO smooth transition package for graduated LDCs. When Samoa graduated from LDC status in 2014, the preferential market access our small exports enjoyed were withdrawn by some of our trade partners immediately. We recognize the EU's Everything But Arms initiative that afforded us 3 years transition period. The removal of international support measures such as the withdrawal of trade preferences, aid for trade support through the Enhanced Integrated Framework for LDCs and concessional financing, combined with the impact of COVID-19, the current food and fuel price inflation, all impact the national income, vulnerability and human resources. These are the very factors used to assess and determine the graduation of Least Developed Countries. We encourage the WTO to spearhead and lead in putting in place international disciplines and good practice to ensure graduating LDCs have access to longer and standardised transition period to phase out international support measures and adopt new economic management approach to facilitate the transition to more efficient economies.
- 8.15. The representative of Kenya, on behalf of the ACP, delivered the following statement:
- 8.16. The ACP Group underscores the importance of the MC12 Decision on the small economies Work Programme, as well as the work of the Dedicated Session of the Committee on Trade and Development. We look forward to continuing our discussions in the CTD's dedicated sessions on small economies with a view to making meaningful progress with the work programme. The

COVID-19 pandemic, as well as the prevailing geopolitical situation have had a significant impact on the economic activities and trade performance of small economies. Hence, we should revitalize discussions on how best small economies can surmount the prevailing challenges towards fuller integration in the multilateral trading system.

- 8.17. The representative of <u>Jamaica</u>, <u>on behalf of CARICOM</u>, delivered the following statement:
- 8.18. The CARICOM Group is committed to advancing the Ministerial Decision on the Small Economies Work Programme which emanated at MC12. We agree with the assessment of the CTD Chair, at the meeting on 23rd September 2022, that we should use the success of MC12 as impetus to work together and find common ground on the issue of special and differential treatment for developing countries. We also join her call for "renewed political will" to take our work forward. As Small Vulnerable Economies and Small Island Developing States, Members of the CARICOM Group are among a subset of WTO Members which are on the frontline of the climate catastrophe. We are also more severely impacted by certain exogenous shocks, such as disruptions to global supply chains, food and energy insecurity and pandemics as continues to be the case with COVID-19. We certainly look forward to meaningful discussions in the CTD Dedicated Session on these challenges, among others, which continue to impact on us in unique ways. The CARICOM Group also calls for open, fair, and constructive engagement on the G-90 proposals on S&DT. The unfavourable global environment which we are all confronted with confirms that developing countries and LDCs need more policy space and access to developmental support, not less. The CARICOM Group is open to constructive engagement on all matters brought forward to the CTD Dedicated Session, including moving forward with the MC12 Ministerial Decision on the Work Programme on Small Economies. We further call for dedicated discussion among Members on establishing parameters for our work.
- 8.19. The representative of <u>Antigua and Barbuda</u>, <u>on behalf of the OECS</u>, delivered the following statement:
- 8.20. We associate with the statements made by CARICOM, the SVEs and the ACP. We thank the CTD Chair for her report and for her stewardship of this very important work. The OECS welcomes the decision taken by Ministers at MC12 to instruct the CTD to continue its work in the Dedicated Session on Small Economies under the overall responsibility of the General Council. We look forward to the convening of discussions in the CTD in Dedicated Session on integrating small economies into the post COVID-19 economy: effects of the pandemic, challenges and opportunities remain fundamental for us particularly as we continue to experience the lingering effects of the pandemic on our health systems, on our important sectors such as tourism, on our food security as well as on supply chains. We also look forward to meaningful engagement across the entire Membership on the G90 proposals on special and differential treatment. We are currently experiencing a perfect storm of global uncertainty, stemming from the climate crises, geopolitics, inflationary pressures and recessions. These have a disproportionate impact on developing and LDC Members and small and vulnerable economies. We also look forward to analyzing these in the context of our work and to discuss with Members how we can use the multilateral trading system to address these kinds of challenges which confront us. The OECS believes that the current state of affairs of the world provide the context for us to revisit the S&DT architecture for developing and LDC Members and to determine what more can be done to further integrate them into the global economy and trading system.
- 8.21. The representative of <u>Ecuador</u> delivered the following statement:
- 8.22. Ecuador joins those who have also joined Guatemala's statement on behalf of the SVEs. Those delegations that have taken the floor have spoken clearly about the specific circumstances faced by our economies and on the need to work together in line with the Ministerial Conference. We welcome the Work Programme and the Secretariat's efforts to provide us with data and statistics that will help us move forward and to structure our discussions to arrive at a meaningful outcome. Our next challenge is integrating SVEs and ensuring that they improve their interaction with the multilateral trading system notably in the post-pandemic period.
- 8.23. The General Council took note of the statements.

9 WTO PENSION PLAN

- 9.1 Annual Report and Financial Statements for the year ending 31 December 2021 (WT/BFA/W/597 WT/L/1150)
- 9.2 Report of the Independent External Auditor on the Audit of the Financial Statements of the World Trade Organization Pension Plan (WTOPP) for the year ended 31 December 2021 (WT/BFA/W/596 WT/L/1149)
- 9.1. The <u>Chair</u>, <u>on behalf of Mr. Jean-Marc Van Dril (Switzerland)</u>, <u>Chair of the WTOPP Management Board Chair</u>, delivered the following statement:
- 9.2. I am pleased to present to the General Council the 2021 Report of the External Auditor and the 2021 Annual Report of the WTO Pension Plan. These documents have been circulated on 22 August and bear the numbers WT/L/1149 and WT/L/1150. They cover the period from 1st January to 31 December 2021, and have been prepared in accordance with Article 5 of the Regulations of the Plan for presentation to the General Council and to the Pension Plan participants. Following a previous suggestion from the external auditors to ensure Members' engagement on long-term liabilities, both reports have already been presented to the CBFA at its meeting in September.
- 9.3. On the report of the external auditor: while accepting the 2021 financial statements with an unqualified opinion, the External Auditors issued 2 recommendations. The first is to clarify how the Management Board defines the "long term balance of the Pension Plan" and to set a deadline for the achievement of the balance. The second is to communicate to staff and retirees the information produced by both the actuary of the WTO and of the Pension Plan. This will be looked into by the Management Board in the next months.
- 9.4. Turning to the 2021 Annual report, the Pension Plan's investment strategy delivered a nominal rate of return of 11.3% at end-2021, which is above the target of 3.8% nominal rate of return used in the actuarial assumptions for that year. Over, the last five years, the Plan's portfolio generated an average annual nominal return of +6.5%. However, markets have behaved and are behaving very differently in 2022, and today, all the gains of 2021 have been erased.
- 9.5. Let me here underline once again that variations in returns are normal, with years above and years below the target. Despite the good performances in 2021, prospects for investors will remain challenging in the near future. Disruptions in the energy markets and their potential to spill over into economic slowdown, as well as the rapid and sharp tightening of interest rates impact significantly the overall economic environment and generate volatility.
- 9.6. It is important to note that this kind of market price volatility says nothing about the underlying economic value of the assets, but does impact the expected yields on those assets when expressed as future expected returns. Negative market returns one year typically lead to higher expected returns in future years.
- 9.7. However, the WTO Pension Plan is a long-term investor. Its strategy is designed to make use of the opportunities provided by market downturns, by purchasing at attractive prices assets that hold the potential for more sustained, even if modest, returns. For example, yields on fixed income investments have recently become much more attractive
- 9.8. On actuarial matters, the completion of the last full actuarial valuation revealed an important actuarial deficit. Major trends leading to this actuarial deficit are demographic and economic factors. Continued improvement of life expectancy increases the liabilities of the plan. Certain economic factors have made it harder to reach the plan's long-term profitability target, thereby affecting the evolution of the asset base of the Plan.
- 9.9. Immediately after the adoption of the full valuation report, the Management Board informed in March the CBFA and WTO staff and retirees about this deficit. Since then, the Board has worked diligently and at an intense pace to build up a reform proposal that addresses the actuarial deficit. While our work is quite advanced, the Board still needs some room to finalize a reform proposal that is both meaningful and balanced.

- 9.10. Let me here highlight that the Pension Plan is the sole pension scheme Staff are entitled to; this is generally the case for staff of International Organization. The WTO Pension Plan also provides for benefits in case of disability. Indeed, employees of international organizations have no access to any local social security insurances such as unemployment or disability benefits.
- 9.11. During 2022, 3 Members were appointed by this Council and 1 member by the DG to fill vacancies on the Board. Let me underline that the Management Board remains committed to full engagement in ensuring the continued good governance of the WTO Pension Plan and its long-term sustainability. In that regard, the Management Board will work through the CBFA by consulting on potential reform measures. I would like to conclude by acknowledging the excellent work of the Plan's Secretary and his team, ensuring the daily operations of the plans and providing the necessary support for the Board to perform its duties.
- 9.12. The representative of the <u>United States</u> delivered the following statement:
- 9.13. We want to commend the pension management for receiving an unqualified endorsement of the financial statements for 2021 from the external auditors. The long-term sustainability of the WTO pension plan remains a priority for the United States, and we acknowledge that its current financial situation is troubling and changes need to be made to remedy the significant challenges that lie ahead. Sustainability of the pension plan is a factor we will have to carefully consider as we evaluate how best to utilize the finite resources that our taxpayers have allocated for this organization and this particularly in light of the parallel request that has been made for an increase in Members' contributions for two other reasons.
- 9.14. The General Council \underline{took} note of the WTOPP Chair's statement, of the Annual Report contained in WT/BFA/W/597 WT/L/1150, of the Report contained in WT/BFA/W/596 WT/L/1149 and of the other statements.

10 OTHER BUSINESS

10.1 Statement by the Chair in connection with Administrative Measures for Members in Arrears

- 10.1. The <u>Chair</u>, <u>speaking under Other Business</u>, 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 are under Administrative Measures.
- 10.2. Ambassador Bettina Waldmann (Germany), <u>Chair of the Committee on Budget, Finance and Administration</u>, delivered the following statement⁹:
- 10.3. The Administrative Measures applicable to Members and Observers in arrears have been in place since 1 March 2013. Administrative Measures are detailed in Annex B of the Financial Regulations as contained in document WT/L/156/Rev.3. In accordance with a decision previously taken by the General Council, I shall state all Members and Observers under all categories of administrative measures. There have been no changes to the report I delivered at the General Council meeting on 25 July. Therefore, as of today, 7 October 2022, there still are a total of 19 Members and 10 Observers subject to Administrative Measures.
- 10.4. The following eight Members are currently in Category I: Plurinational State of Bolivia; Cabo Verde; Cuba; Dominica; El Salvador; Rwanda; Uganda; and Zambia. The following five Members are in Category II: Antigua and Barbuda; Djibouti; Mauritania; Papua New Guinea; and Yemen. The following six Members are in Category III: Burundi; Central African Republic; Chad; Guinea; Guinea-Bissau; and Bolivarian Republic of Venezuela. Burundi; Central African Republic; Chad; and Guinea-Bissau are not compliant with payment plan terms. The following four Observers are in Category I: Comoros; Ethiopia; Lebanese Republic; and South Sudan. The following two Observers

⁹ The CBFA Chair's statement was subsequently circulated in document JOB/GC/322.

are in Category II: Iran and Iraq. There are also four Observers in Category III: Libya; Sao Tomé and Principe; Somalia; and Syria.

- 10.5. The <u>Chair</u> noted that, as also required by the General Council Procedures, he requested Members and Observers in Categories II and III of the Measures to inform the Secretariat as to when their payment of arrears may be expected.
- 10.6. The General Council took note of the statements.

ANNEX 1

ADDRESS DELIVERED BY H.E. MR. LUC MAGLOIRE MBARGA ATANGANA, MINISTER OF COMMERCE OF CAMEROON, TO THE GENERAL COUNCIL

Honourable Ministers, Ambassador Didier Chambovey, Chair of the General Council, Dr Ngozi Okonjo-Iweala, Director-General of the WTO, Distinguished Ambassadors, Distinguished delegates,

I am especially pleased to be taking the floor on this occasion when our Organization's General Council is meeting only a few months after the spectacular and resounding success of the 12th Ministerial Conference (MC12).

MC12 will be remembered as a historic conference, when the WTO showed the world its ability to respond to the challenges of our time with impressive results never before achieved at such a conference.

All Member States should welcome and maintain this new direction.

This is an opportunity for me, on behalf of the State of Cameroon, to offer my special congratulations once again to the Director-General, Dr Ngozi Okonjo-Iweala, the driver behind this high powered and unprecedented performance. Our hope is that her unparalleled energy, great wisdom and rich experience continue to serve our organization for a long time to come and lead us to ever greater triumphs.

Excellencies, distinguished delegates,

After these frankly galvanizing and promising results, I wanted to talk to you this morning about the upcoming meetings that await us and call for our attention. The first of these is the 13th Ministerial Conference, which Cameroon is offering to host on behalf of Africa.

At the outset, I am pleased to recall that Cameroon was one of the original Members of the WTO. As a GATT member since 3 May 1963 (shortly after it gained independence on 1 January 1960), Cameroon has participated in all rounds of negotiations, including the process that resulted in the creation of the WTO on 1 January 1995.

Your humble servant speaking to you today has, since the 3rd Ministerial Conference held in Seattle in December 1999, taken part in almost all high-level events and meetings of our Organization, as well as various panels of both GATT and the WTO.

In other words, Excellencies and distinguished delegates, our Organization and Cameroon enjoy a close relationship. You now have a better understanding of the underlying and objective reasons behind Cameroon's application to host MC13. Our candidacy was announced on 25 November 2021 and was immediately and quite naturally endorsed by the African Union.

For Africa, this welcome initiative to hold the 13th Ministerial Conference on its soil will have a positive impact on the African Union's Agenda 2063 and accelerate the implementation of the African Continental Free Trade Area (AfCFTA) integration project.

Excellencies, distinguished delegates,

Need I take the timely opportunity presented by this General Council meeting to remind you once again of Cameroon's long-standing commitment to multilateralism in world trade and the market economy? In this vein, I would like to say here, solemnly, loudly and clearly for all to hear, that Cameroon, under the leadership of the President of the Republic, Paul Biya, is committed and determined to contribute, in an effective manner, to the swift and successful conclusion of the various negotiations under way on issues such as agriculture, e-commerce and WTO reform.

If there is a strong certainty, and one in which Cameroon has a cast-iron belief, it is that holding MC13 in Africa, the cradle of the WTO through the Marrakesh Agreement, is entirely in keeping with the momentum created by MC12 and will offer our organization a shining future by reforming the multilateral trading system. Africa's secret weapon is that it is the land of consensus par excellence.

For all these reasons, Cameroon has applied to host the 13th Ministerial Conference, which should be a turning point in the right direction.

Cameroon is clearly no paradise, if ever there was paradise on Earth. What is certain is that the political will and determination are there. What is equally certain is that Cameroon has operational, modern and efficient infrastructure.

A WTO inspection mission has just visited Cameroon for this purpose, as per the Organization's standard practice. I am confident that the mission's report will bear out the comments I have just made concerning Cameroon's capacity to host MC13 in a manner that befits it and in strict compliance with the rules in areas such as infrastructure, security, protocols, tourism and culture.

This will not be a first. Cameroon has long, solid and rich experience in organizing major international events, be they diplomatic, political, economic, sporting or cultural. The seamless hosting of an Assembly of Heads of State and Government of what was then the Organization of African Unity, a France-Africa Summit and, at the start of this year, the thirty-third Africa Cup of Nations, a football competition, are evidence of this.

In any case, its geographical location at the heart of the continent, its bilingualism, the legendary hospitality of its people, its unrivalled culinary art, the calibre and reputation of its sportspeople and artists, the commitment of the Head of State, the Government and the people of Cameroon as a whole promise an MC13 that will undoubtedly go down in history.

Dear colleagues, distinguished delegates, dear friends, you are all welcome in Cameroon, an Africa in miniature that asks nothing more than to welcome you and show you the splendour of its charms and hidden treasures, if you give it the chance by choosing my country to host MC13.

Rest assured that you will not be disappointed. On the contrary, you will ask to come back.

Thank for your support. Thank for listening.

I will see you very soon in Cameroon. Welcome to Cameroon.

Long live multilateral cooperation.

Long live the World Trade Organization.

ANNEX 2

ADDRESS DELIVERED BY H.E. DR. THANI BIN AHMED AL ZEYOUDI, MINISTER OF STATE FOR FOREIGN TRADE OF THE UNITED ARAB EMIRATES, TO THE GENERAL COUNCIL

Mr Chair, Madame Director General, Excellencies, Ladies and gentlemen,

Let me begin by commending you for your continuous work on strengthening our international trading system and reaffirming our shared commitment to multilateralism. We are, of course, confronting a critical moment. We are seeing the impact of the global pandemic on supply chains. We are seeing how global challenges are affecting commodities. And we are seeing, for the first time in 15 years, the spectre of global inflation.

As we begin to emerge from the biggest disruption to global trade in our lifetimes – there is reason to be optimistic. World merchandise trade volume is expected to grow by 3.5% in 2022; and the Middle East in particular will have to the strongest trade volume growth of any region in 2022 for both exports and imports. But I also believe now is a moment of genuine opportunity for all of us. There is once again a clear global consensus that trade is a key lever of inclusive, sustainable economic growth.

That was the overall sentiment at the 12th Ministerial Conference here in Geneva in June, when we all came together to make significant progress on:

- · pandemic preparedness
- intellectual property rights
- removing food export prohibitions
- and, perhaps most importantly, fisheries subsidies.

Each of these measures will provide vital help to countries and communities across the globe and we must ensure that these measures are not only implemented but built upon. That needs to be the message this week: global challenges require global solutions.

In the context of the WTO, this means we need further progress on key areas that could hamper the promise of international trade, including the WTO's role as a forum for negotiation and rule-making; an effective enforcer of those rules; and a dispute-resolution and arbitration mechanism It is imperative to re-energize the WTO's mission as the custodian of the multilateral trading system and a champion of its benefits.

The 13th Ministerial Conference provides a crucial opportunity to capitalize on the progress made in June. But it must also deliver the reform we all seek. We must now:

- look to shape trade rules fit for the 21st century including digital trade
- address market-distorting subsidies
- protect the needs of developing countries, and
- enhance cooperation between the WTO and other international organizations.

Ladies and gentlemen,

As you know, the UAE has formally submitted a bid to host the 13th WTO Ministerial Conference in December 2023 in Abu Dhabi. Our nation's leadership has long understood the economic and cultural importance of trade. We recognize that international trade goes hand in hand with economic development and human prosperity – which is why we have now placed it at the heart of a bold new economic agenda that aims to double the size of the UAE economy by 2030 – from US\$381 billion to US\$762 billion. This is built on developing new sources of competitive advantage based on talent, technology, and innovation. And, as the UAE continues to reduce our reliance on hydrocarbons, we

are envisioning a modern economy that is a global hub for trade, talent, and foreign direct investment.

It is this ambition and our belief in the lasting, inclusive benefits of multilateralism, coupled with our expertise in hosting global forums such as the recent Expo 2020 Dubai, which makes the UAE the ideal location for MC13.

On behalf of our leaders, it would be an honour to welcome the Leaders, Ministers and business representatives from the WTO's 164 Members to the UAE. We are equally excited to demonstrate how trade has shaped our history – and how we are determined to shape its future. I hope we can count on your support in our bid to host MC13.

We look forward to working closely with WTO and its members in the year ahead to strengthen the future of global trade by building greater inclusiveness, transparency and innovation in our multilateral trading system.

ANNEX 3

ADDRESS DELIVERED BY H.E. MS. LUZ MARÍA DE LA MORA, VICE MINISTER OF FOREIGN TRADE OF MEXICO, TO THE GENERAL COUNCIL

Thank you, Chair, for giving me the floor and allowing me the honour of speaking at this General Council session. Good morning everyone. I will be brief, as I see that the agenda for the session is certainly busy and the issues to be tackled are of utmost importance for the Organization.

I reiterate that Mexico remains pleased by the outcome of MC12, which definitely exceeded many expectations. Members showed willingness and commitment to reach agreements, which undoubtedly boosts the credibility of the WTO as a negotiating forum. We must capitalize on this fresh impetus for our future work.

During the Conference, it was enlightening to see that when ministers stop behaving like campaigners and act like states people, results can be achieved.

It is encouraging that the activities of this house have resumed in earnest. The time for patting ourselves on the back has passed and we must work hard to translate the decisions made at the Conference into tangible outcomes.

It is clear that we can work – and should already be working – on some of the outstanding issues, while others require a preliminary discussion to develop trust between Members and spark the creativity needed to build new bridges that lead to possible landing zones.

The planned retreats for fisheries and agriculture will be a good opportunity for Members to start to think afresh about possible alternatives to the solutions that have eluded these undoubtedly complex negotiations.

Mexico believes that work on WTO reform will prove decisive in revitalizing the Organization. The priority is to have a fully functioning dispute settlement mechanism, as it provides a safety net to secure the outcome of past and future negotiations. By achieving satisfactory results that invigorate all pillars of the WTO and by addressing development aspects, we will be able to leave a long period of underperformance behind us and have a multilateral trading system that better contributes to growth and economic development, sustainability and inclusiveness in many more regions of the world.

We are pleased that, during the Ministerial Conference, something concrete was achieved to step up the fight against COVID 19. The discussions under way on the waiver for diagnostics and therapeutics will not be easy; stakeholders will need to deploy their best efforts and seek to prevent the complex nature of those discussions from affecting the other issues being discussed. Mexico reiterates its willingness to participate in these discussions in a constructive manner.

The extension of the moratorium on duties on electronic transmissions was a highly favourable outcome of the Conference. For years, it has been a polarizing topic within the Organization. It will be important for the renewed discussions to be more constructive, rely on solid evidence and lead Members to take decisions in a reasoned, comprehensive and prudent fashion.

To conclude, I would like to point out that in recent years the world has faced various scourges, including threats to the economy, health, climate and peace, which require global responses. Strengthening the global governance architecture is crucial to better contain those scourges and their pernicious effects on many communities in different regions of the globe.

The WTO, as an integral part of that architecture and guarantor of the multilateral trading system, plays a fundamental role. Let us spare no effort in ensuring that it does so and, in particular, that the reform of the WTO optimizes its functionality and its capacity to fulfil its mandate. Achieving this will depend on many factors, including this trade cooperation forum and the political capital that its Members are willing to invest. There is no time or room for this capital to be withheld from the Organization.

I would like to thank the Chair once again for the opportunity to speak at this session and I wish Members every success in their ongoing work. Please rest assured that Mexico will participate constructively in all areas covered.

ANNEX 4

STATEMENTS BY MEMBERS AT THE INFORMAL GENERAL COUNCIL MEETING HELD ON 4 OCTOBER 2022

At their request, the statements of the delegations of Argentina; Australia; Brazil; Cameroon (African Group); Canada; Chile; Colombia; Costa Rica; Djibouti; Egypt; European Union; Fiji; India; Jamaica (CARICOM); Japan; Kenya (ACP Group); Nicaragua; Nigeria; Peru; Philippines; Switzerland; United Kingdom; and, Zambia at the 4 October Informal General Council meeting are incorporated in the minutes of this meeting.

1. Argentina

WTO reform

The mandate from MC12 allows for groupings of WTO Members to meet to discuss relevant matters or to make submissions for consideration by the General Council or it subsidiary bodies. In this connection, we would like to stress the importance of keeping this Council regularly informed to ensure all groups have an opportunity to take into consideration the interests of other groupings of Members and to foster dialogue, so that relevant issues are not siloed.

As we have already stated at previous General Council meetings, Argentina advocates a frank discussion on WTO reform and is of the opinion that this should be done by fulfilling and prioritizing the negotiation of outstanding mandates. We are aware that there are diverging views on this point, but we would like to stress the importance of including this matter in the discussions.

We are open to carrying out our reform discussions in different formats that allow for frank exchanges, provided that inclusiveness and openness are respected and that the discussions are transparent. We support an approach that will allow us to move forward, step by step, with the reforms that appear to be necessary, without necessarily having to wait for a large, comprehensive package that covers every aspect of the WTO.

Work programme on electronic commerce and moratorium on electronic transmissions

Our position has already been stated on previous occasions and it has not changed: we support renewal under the current conditions, excluding content. We understand that some delegations have concerns regarding the implications of the moratorium and we stand ready to engage actively and constructively in discussions in this regard, in whatever format that this Council decides is most appropriate.

2. Australia

We fully support the way forward on WTO reform proposed in the Chair's report and outlined in the Director-General's remarks. These recommendations are sensible suggestions, including the idea of bringing us all together to discuss the pathway forward.

As part of this approach, we should also recognise the reforms we already have on the table – the wind that is already in our sails. We have strong new rule-making energy coming back here after two decades of being stalled. We have a new fisheries subsidies agreement. There are also various group initiatives underway which – importantly – are open, inclusive and embedded in the WTO architecture rather than outside of it. Let us not forget the important reform energy already here in this Organization.

We also have a range of institutional reforms on the table. The proposal on annual ministerial conferences is starting to gather strong support. Annual ministerial conferences are not just a way to connect our political leadership to our work, but also a way to connect with wider global imperatives, such as climate change and food security. But we have much more to do.

Firstly, there is a strong will across the membership, and now a mandate from MC12, to fix the dispute settlement system. We need to take this forward and urgently deal with the part of the system that is broken, to restore the ability of this institution to resolve disputes with finality while also restoring the authority of world trade law. Let's use the momentum we have, and advance collectively where we can in a gradual, iterative way to build further momentum over time.

Secondly, we must advance the work on the monitoring and deliberative function. We need to better understand the broader goals we have for this place, including on food security and climate change. We need to also examine the subsidies agenda closely, including in the area of agriculture.

So, let us use MC13 to advance reform on all fronts – more rulemaking if we can, but let's also move forward to restore the dispute settlement system, advance the monitoring and deliberative function, and agree to a new approach to our relationship with ministerial meetings.

On e-commerce, many have already mentioned the important role e-commerce plays for developing countries to access markets. We agree – this work is fundamentally about inclusion, improving productivity and reducing trade costs. Australia fully welcomes all suggestions for dealing with these issues under the e-commerce work programme. The important role this process will play cannot be left to the last minute. The e-commerce moratorium itself was a last minute MC12 issue which led to significant uncertainty for business. That must be avoided at all costs for MC13.

3. Brazil

Thank you, chair, for this update on your consultation with Members on the WTO reform.

The ministerial mandate on paragraphs 3 and 4 establishes that the WTO reform must improve all its functions. It also states that discussions on the WTO reform will take place in different formats and configurations, always taking into consideration the transparency role of the GC.

Let me comment on each pillar of the reform process as Brazil sees them evolving up to MC13. First, our discussions should start with the deliberative/monitoring function of the WTO. It is of everyone's interest that the organization works better on a daily basis.

There are, already, many useful emerging ideas related to the deliberative function. Many changes are practical and uncontroversial for the proper workings of the WTO. We could, for instance, invite all technical Committees to review their deliberating and monitoring functions and to present a report with suggestions by mid-November.

Also regarding the deliberative function of the WTO, Brazil recalls its proposal on annual ministerials, which could serve us as a way to increase the responsiveness of the organization in a dedramatized and pragmatic manner.

Second, on the dispute settlement function, there is an active and informal process on the dispute settlement reform, up to December. A fully functioning dispute system is of fundamental importance for Brazil. We expect useful results from this process in order to transition to a text-based negotiation as quickly as possible.

Last but surely not least, we need to discuss how negotiations can effectively deliver, including through new negotiating modalities and configurations. We have already started this discussion on different configurations and hope to move forward with the same level of pragmatism.

4. Cameroon (African Group)

The African Group has a great interest in the work programme on eCommerce as articulated in 1998 Declaration on Global Electronic Commerce. The 1998 mandate called for sustained discussions on all trade related aspects on e-commerce in the four relevant bodies, these are, CTD, CTG, CTS and TRIPS. The issues identified in the WPEC remain relevant to African countries.

Continental integration, structural transformation and industrialization remain the overriding priorities for Africa, following the establishment of the Continental Free Trade Agreement in line with

"Agenda 2063: The Africa We Want". Therefore, it is critical that the work we undertake in multilateral trade supports Africa's continental regional industrial integration agenda.

Africa continues to account for a small share of global e-commerce. The limited development of e-commerce underlines the importance of identifying the constraints on e-commerce in Africa.

We are concerned with limited progress made on the development dimension of the work programme which are critical to ensure equitable benefits.

The African continent has a keen interest to move away from being a mere importer of digital products and technologies to producing and exporting. Much work needs to be done to advance this objective and address the digital divide. This requires a policy environment that is supportive to the development of our digital capabilities and industrialise.

Africa is still the least connected region compared to other regions of the world with about 28.2 per cent internet coverage and 34 per cent to mobile broadband. Few citizens have digital IDs, businesses adopting digital technologies remain the exception rather than the norm, and few governments have the means to invest strategically in developing digital infrastructure.

There is a need to address these issues in structured discussions under the WPEC. The Africa Group commends delegations that have engaged actively on ways to address the digital divide which disproportionately affects our Members and whose effects have been exacerbated by the COVID-19 pandemic. We therefore support the need to reinvigorate the work under the Work Programme so as to make meaningful progress between now and MC13.

Where the ET moratorium is concerned, para 3 of the MC12 Ministerial Decision on the WPEC is instructive. African Ministers of Trade have a long standing position that extension of the moratorium should not be treated as automatic. Any discussions on this issue should resolve long standing issues on the scope, definition and impact of the moratorium on customs duties on electronic transmissions on developing countries in particular, as well as on Africa's ambition to industrialise.

5. Canada

Canada strongly condemns President Putin's unprovoked and unjustifiable invasion of Ukraine and does not, and will not ever, recognize Russia's attempted illegal annexation of Ukrainian territories. These hostile acts are a blatant violation of international law and the rules-based international system. Ukraine's sovereignty and territorial integrity must be respected, and the Ukrainian people must be free to determine their own future. Canada calls on Russia to immediately cease all hostile and provocative actions against Ukraine and withdraw all military and proxy forces from the country.

Canada thanks the Chair for his efforts so far, and fully supports his proposed approach. We are at the beginning of a process which will be long, but which we all committed to, and which I believe will ultimately lead to an outcome that benefits all Members. In this spirit, we should aim for a process which is gradual and iterative. A fully functioning dispute settlement system remains a critical priority for Canada. We are committed to the Member driven informal discussions under way at the technical level. While that proceeds, let's work together to take a delegate-centred approach. Canada agrees with the Chair that the best approach is to begin with the deliberative function, and to draw from the expertise of technical Committees and Councils who are responsible for the day-to-day work of the organization. We must first focus on improving the workings of the WTO, not negotiating or re-negotiating economically substantive rules and commitments. That means making WTO bodies work better for all members, especially developing Members. And it means taking a practical, bottom-up approach.

We are pleased to see that discussions about how we should advance the e-commerce work programme and moratorium have been initiated. While the ministerial decision to extend the e-commerce moratorium and work programme was a key element of the MC12 outcome, this still constitutes a temporary response to a practice that has been supporting digital trade for over 20 years. Given the limited time we have to implement the MC12 decision, it is important to remain pragmatic and realistic on what can be accomplished by MC13. At the same time, there is no time to waste, and Canada is committed to actively participate in the reinvigoration of the work programme. This offers a unique opportunity to focus our discussions on trade-related aspects of

digital trade that go well beyond the moratorium. In that context, Canada has noted the interest expressed by several developing Members to discuss the development dimension of digital trade, based on Members' submissions, and is open to support it.

The other pillar of the Ministerial Decision is discussions on the moratorium on customs duties on electronic transmissions. Canada strongly supports maintaining these discussions under the General Council given the nature of electronic transmissions. It remains important to continue to consider the broad impact of not imposing customs duties on electronic transmissions, including for businesses and consumers. Therefore, the dedicated/structured discussions under the General Council is the most appropriate venue to discuss the moratorium. We do not see the need to create any new structure to discuss the moratorium. The current dedicated/structured discussions offer sufficient flexibility to consider various configurations, including workshop, informal, technical to discuss areas of interests to Members. As we consider topics for future discussions, hearing more from the private sector, including MSMEs from developing Members and relevant international organizations would help to deepen the understanding of the Membership.

6. Chile

As we have said on previous occasions, Chile believes that we need a WTO reform that ensures that the Organization is in a position to address, in an effective and cross-cutting manner, certain challenges faced by many of our countries, especially those concerning productive development, inclusive trade and environmental sustainability. We also think that it is important to analyse the functioning of the Organization and seek to make progress in terms of efficiency and transparency. We believe that the discussion, at least initially, should focus on the Organization's deliberative function. However, at the same time, we consider it essential to continue conversations regarding the Dispute Settlement Body, which should be brought into full operation as soon as possible, given its importance in the functioning of the organization as a whole. We appreciate and note with interest your proposal to hold a meeting on reform in the near future, in which we can frame our discussions based on a common assessment.

Furthermore, Chile is highly committed to the decision reached at the recent ministerial meeting to resume discussions on the Work Programme on Electronic Commerce in the relevant committees. As we have said on other occasions, Chile is in favour of further discussions regarding the moratorium on the imposition of customs duties on electronic transmissions and its scope, ideally with a view to making it permanent, without neglecting the other matters contained in document WT/L/274, especially considering that, if no agreement is reached by March 2024, the moratorium will automatically expire.

7. Colombia

First of all, I would like to thank you for your reports and hard work over the past few weeks to connect with the Membership. I would also like to thank the Director-General and the Deputy Directors-General for their presence and explanations.

Colombia would like to make three comments on reform:

First, for Colombia, the discussion on reform must be ambitious and be seized as an opportunity to think about a WTO fit-for-purpose to face the challenges of the 21st century, not just thinking about today, but about how we would like this Organization to be in the next 25 and 50 years. Our discussion should not be limited just to making minor adjustments or procedural improvements. We must aim high, or attempt to, at least now at the beginning.

In this respect, there is no doubt that the intersection between trade policy and environmental protection is an issue that has gained prominence, that cannot be avoided or dodged, and that will continue to be an inevitable part of our discussions in the future. So, it is better to accept it and address it in full. The WTO must holistically and comprehensively address this intersection and, as part of the reform discussions, ensure that both policies are mutually supportive and complementary.

For this reason, sustainability must be a central and specific element in all work on the review of the Organization for the reform, which must be candid, without cherry picking, but with a cross-cutting overview. Therefore, the discussion of the interrelationship between trade and the environment must

of course take place in dedicated forums, such as the Committee on Trade and Environment (CTC) and the Trade and Environmental Sustainability Structured Discussions (TESDD). It should also be part of the specific reform discussions in the regular bodies, on the ongoing negotiations, including in particular the environmental impact of the huge domestic support to agriculture, on trade remedies or rules (and the growing problem of the use of unilateral remedies outside our usual three WTO remedies, in the form of environmental offsets), on transparency and monitoring exercises, and on joint initiatives. The Agreement on Fisheries Subsidies showed how sustainability is something that unites us, and that it is possible to take concrete decisions around it, ensuring consistency and coherence between the commitments adopted in international arenas and environmental agreements and WTO rules.

It is our view that, in the adoption of environmental measures that have trade impacts, Members should ensure consistency and coherence between the commitments that are adopted in international arenas and environmental agreements and WTO rules.

This coherence also includes the need to take into consideration the development dimension in these discussions (and also in the adoption of measures by Members), in particular recognizing the challenges faced by developing countries in the transition to more sustainable economies.

In summary on this point then, Colombia believes that we should not miss the once-in-a-generation opportunity for reform. We understand the idea of "sequencing" and taking one step at a time, but our initial ambition must be overarching and high, with environmental sustainability at the centre.

Second, on the matter of dispute settlement, it is important that the Appellate Body be reactivated while discussions on its reform continue. In terms of external scrutiny, having a fully operational dispute settlement mechanism (DSM) is essential to be able to judge the success of the reform process we have begun. If we do not have a fully operational system, the reform process will certainly be judged to be ineffective. Thus, our ongoing discussions on DSM reform are invaluable. So is the Multi party Interim Appeal Arbitration Arrangement (MPIA) process, which, with its surgical procedural adjustments, can show the way forward now that it has come into operation. But, first and foremost, this discussion on reform must move forwards, always remembering that the Dispute Settlement Unit (DSU) is there, agreed by all. The DSU is a starting point that we already have in place.

Third, in our view, the reform process is also an opportunity to open up the WTO a little more, to strengthen its legitimacy and to feed new perspectives into the discussions. This is certainly a challenging process, but there are many models that can be explored to open up the WTO a little to public input, in an organized way.

The OECD, for example, has a supervised scheme for the participation of interested economic sectors in its discussions. The WTO itself, in the structured discussions on trade and environment, is already a pilot project on how external organizations can participate in dedicated and supervised forums, with positive results on our ideas and understanding of the new phenomena facing global trade. Also the experience of the Ministerial Conferences and the Public Forum are examples of how the WTO can open up its daily work in a controlled way to external actors.

However, such forums are still rare. It is the WTO itself and its Members who can benefit most from this openness, with access to ideas and in-depth insights on issues. The reform, in short, could have a space for discussion, an item in the work guidelines or guidelines on issues mentioned by Argentina, in order to jointly review a possible controlled and progressive improvement of the Organization's external transparency.

An ambitious reform, which does not avoid the importance of environmental sustainability and is willing to review its substantive implications, coupled with a properly functioning dispute settlement mechanism, and a greater openness to ideas, should, in our view, be a fundamental part of our discussions.

You can count on our full commitment in this regard, including our support for your proposals on withdrawal or dedicated sessions of the General Council that you have mentioned, as well as our engagement with other interested Members.

8. Costa Rica

Costa Rica is committed to this organization's reform process, and we are pleased that our ministers have dedicated a paragraph to it in the MC12 outcome document. WTO reform is essential for this Organization to remain relevant and capable of responding to present and future challenges. This is why we believe that this process must be undertaken in a manner that is constructive, inclusive and aimed at making real changes to the Organization.

It is important to distinguish between improving the functioning of the WTO and changing any of its rules and commitments. WTO reform must focus on the former. We also believe it is important for Members to be aware that reform must not be a zero-sum negotiation. The key questions in this exercise should therefore be: "how can we make the WTO function better?" or "how can we facilitate the participation of developing countries and help them use the WTO to achieve their development goals?", instead of "how can I get something I want?" To maintain this approach, we will need to work from the bottom up and rely on concrete and genuine experiences and evidence.

This is why we think it is important to combine bottom-up work originating from the technical committees with the discussion on horizontal issues in the General Council (possibly in dedicated informal sessions) and, where appropriate, in the Trade in Goods (and Services and TRIPS) Councils.

The process must be gradual and allow the results to be consolidated as progress is made. We should avoid cross-linking and hostage-taking. We also think that we should start with a review of the WTO's deliberative and monitoring function and then move on to review the other two functions in a second phase.

Regarding e-commerce, we are pleased that we have been able to reach an agreement to renew the work programme and the moratorium. Costa Rica has supported a permanent moratorium from the outset. As for the work programme, we are interested in having an evidence-based discussion with the support of experts, including international organizations such as the OECD that have undertaken studies in the field, academia, the private sector and business organizations. These talks could be held in workshops or seminars that feed into the discussions of the General Council and the subsidiary bodies.

Costa Rica supports the process that you, Chair, have set out for both topics and is committed to this work.

9. Djibouti

Thank you Chair for your report on your consultations with the LDC Group. Thank you for this transparent and inclusive process. The LDC Group participated in your consultations on WTO reform and the e-Commerce Work Programme.

Today we can summarize what we conveyed during consultations and listen to other members.

Reform

Reform is a good opportunity to explore new ways, better ways of setting objectives and goals that are balanced and sustainable.

The General Council should lead on reform and the development dimension in the work of WTO should be at the heart of the reform discussion. If there are elements that must be deliberated upon at the sub bodies, this is fine but any consolidation must take place in the General Council and the General Council should also be a venue for work on the reform. That will be important for us to fulfill the ministerial mandate to consider decisions at the next Ministerial Conference. We have been looking forward to this process to be initiated by the General Council to ensure that there is no discrimination against any proposal. All Members including LDC proposals must be considered on equal footing with the proposals of other Members.

In your consultations we also highlighted the need to maintain principles of inclusiveness, non-discrimination, and consensus-based decision-making. We referred to the need to consider all the elements in our own submission JOB/GC/223/Rev.1 and our LDC Ministers MC12 Declaration of

October 2021. We would add that we feel the reform process must take up our lessons learnt in the conduct and participation in Ministerial Conferences. We must ensure especially that LDC proposals are discussed in all types of green rooms, and other forms of consultations, before Ministers.

We recognize the utility of smaller breakout negotiations or consultations. However, before any outcome emerging from smaller groupings are deemed agreed, even if representatives of a group were present, the entire Membership must be included, and explanations provided on how the outcome was reached. This would include an explanation of the options and their rationale. At this time the Members could weigh which option is desirable to them. They can all weigh the pros and cons and the risks.

In terms of notifications and transparency, the LDC submission contains some proposals we wish to be discussed in the General Council process ahead. Our submission also includes ideas on reforming the process of committee and council meetings, to avoid overlaps for example that aggravate the already severe capacity constraints for LDCs to keep up with the meetings and to participate effectively.

On another matter, we think that the issue of penalties and administrative measures on LDCs should be reformed. Existing administrative measures, including ineligibility for technical assistance and access to documents, due to arrears in WTO membership fees, should be reviewed and re-examined.

Regarding Appellate Body reform, we insist on a two-tier system. This issue is critical to the structure and workings of the WTO. We hear that some have said that LDCs are not involved in disputes and should not be concerned. However, we have indeed participated as third parties, and we will eventually graduate. All discussions must be transparent, multilateral, and inclusive.

E-Commerce Work Programme

LDC Group thanks you for beginning the consultations necessary for us to proceed with the guidance of Ministers at MC12 document WT/MIN(22)/32. The LDC Group supported that we continue the work programme and the discussions on the impact of the moratorium, both mandated since 1998.

We should prioritize the development considerations in recognition of the timelines found in the decision. The LDC Group submission WT/GC/W/787, December 2019 must serve as part of the contributions for our work ahead. In the course of the months ahead, we will also contribute more inputs into the Work Programme.

10. Egypt

At the outset allow me to thank you, Chair, for your report on your recent consultations on WTO reform. We extend our appreciation for your efforts to engage all members in dynamic discussions to address the points you raised in your report. As we noted before in our previous consultations, The WTO reform should deliver on the developmental perspective for all in specific for developing and least developed country members. We need to agree that development should be at the heart of the reform process. Hence, our common purpose should be to make development happen. Allow me to share some thoughts on the issue of reform, around the metaphoric questions: What to reform in the system? Why should we reform the system and how would we go about this reform?

We all agree that reform should shape up The WTO of the future. One that provides for economic resilience and preparedness in facing challenges. The process should be guided and based on the fundamentals contained in the Marrakesh Agreement establishing the WTO, Paragraph1 of this Agreement defines the objective of the process, as it states that "trade and economic relations should be conducted with a view to raising standards of living, ensuring full employment, and expanding the production of and trade in goods and services." Paragraph 2 further highlight that "there is need for positive efforts to ensure that developing countries, and especially the least developed among them, secure a share in the growth in international trade commensurate with the needs of their economic development".

Members need to define the criteria against which our priorities are determined throughout the reform process, the time frame in which the reform should be concluded needs to be realistic and well planned. Accordingly, the reform agenda should be based on the following parameters:

- Reinforcing the special and differential treatment (S&Dt) provisions in various WTO Agreements and provisions.
- Providing the policy tools necessary to promote economic resilience and allow for Developing countries to adequately address current challenges, in a manner commensurate with their development levels and capacity constraints.
- Fixing imbalances in current WTO rules and provisions, especially those related to Food Security and transfer of technology.
- Reforming the WTO dispute settlement system in a way that addresses systemic obstacles that render this system out of reach for the majority of developing countries and the restoration of the Appellate Body.

Now when it comes to the process, first, we are advocates of a "top down" approach starting at the General Council where reform decisions could be prepared, and then approved at the ministerial conference, this does not preclude or exclude the subsidiary bodies from contributing to the process, they would rather be present in all deliberations relevant to their area of competence. Second, reform shall be focused on a limited number of issues to be agreed upon by member, those issues could be grouped in themes, each theme could be discussed in open-ended meetings in various configurations. The subsidiary bodies can provide us with information, background documents on each theme, and participate in organizing deliberations. Those discussions could happen in thematic sessions/groups. Third, the eventual outcome of those groups' discussions and recommendations should be reported periodically to the General Council and consequently to the ministers, as appropriate.

The current difference of views on the nature and the process of the reform does not mean that it is not possible to reach a common solution that considers, as much as possible, the proposals of all member states in a complementary manner, we just need to identify priorities and understand each other's needs. Egypt stands ready to constructively engage and contribute to the success of our work on this matter.

11. European Union

Chair, thank you for the very comprehensive debrief that you delivered of your consultation. The European Union is deeply committed to constructively work on reform in all three functions. We need to ride on the momentum that we achieved at MC12 while being mindful of the formidable challenges ahead. In the first phase of the process, listening to the views of all Members and building trust among the membership will be a vital ingredient for a successful outcome. Chair, we support your proposal for an informal "retreat like" discussion at the end of the month where Members can discuss in a more conducive setting the key crosscutting issues of interest to all Members including development issues. With this in mind, we are keen to enhance our engagement with the whole Membership, including with the African countries and LDCs, and are reaching out.

Chair, in terms of process going forward, as far as the deliberative and monitoring function is concerned, we concur with you that the most promising way forward is if the work is carried out in a bottom-up approach in the relevant committees. We favour an approach that prioritizes "reform by doing" rather than getting bogged down by abstract discussions of principle. We believe much highly relevant and useful work can be done in the committees on key issues to address the current challenges in the global trading system so that Members can openly exchange experiences and deliberate on these topics.

We have heard last week from stakeholders at the Public Forum what some of these issues are. How can we strengthen the climate and sustainability dimension in the WTO agenda? How can we better integrate developing countries into value chains and the global trading system? The European Union believes committees with a cross-cutting remit such as the Committee on Trade and Environment and the Committee on Trade and Development have a particularly important role to play in these discussions. Let me assure you that the European Union stands ready to play an active role in these forthcoming exchanges.

Last but not least, the dispute settlement function is the centre piece in the WTO reform and remains

the most pressing priority for the EU. We are engaging actively in the technical US-led process and believe this informal process needs to be given the necessary space for the time being. However, it is equally important that it be complemented by a more formal process at an appropriate moment next year.

On electronic commerce, the European Union was very pleased that the work programme and moratorium were extended at MC12. For the EU, their extension at MC13 remains a key objective. As confirmed by contacts at the WTO Public Forum, the moratorium is an absolute priority for the business community around the globe, particularly for SMEs active in the digital economy. The work programme has an essential role to play to address the interaction between digital trade and development and to facilitate the integration of developing countries in the digital economy. We therefore strongly support the objective of the MC12 ministerial decision to reinvigorate the work programme. We should not delay its implementation. We carefully listen to the interests and concerns expressed by Members in this regard and in addressing specific issues related to the moratorium on customs duties on e-transmissions.

As to where the discussions should take place: we have all the necessary structures in the WTO (GC, possibilities to have dedicated sessions, more informal structured discussions, specific committees). Given the cross-cutting nature of e-commerce, we would favour reviving dedicated e-commerce work programme sessions (that we used to have in the past). But we remain open to reflect if there are any specific issues that could be more usefully tackled in subsidiary bodies and specific WTO Committees, based on specific interests and submissions by Members.

We suggest to intensify engagement starting with the development aspects of e-commerce – in line with the interest of numerous Members. But we understand that as a second stage, it be necessary to address issues specific to the moratorium. We are happy to explore possibilities of getting further evidence on the implications and also how to incorporate views of stakeholders in Members' deliberations. The European Union remains committed to work on all aspects of reform with the whole membership.

12. Fiji

Fiji would like to thank you for your update, we do recognize your hardwork as well as the inclusive manner in which you have conducted the consultations. In recognition of the outcomes of the MC12 and the timeline to meet our mandate, it is incumbent upon us to navigate our way forward promptly to reach our shared objectives.

Please allow me to make the following remarks.

On WTO reform, much has been said about the reform. However, we need to be practical in our approach by having a process established to review the WTO and identify areas that needs to be reformed and prioritize them according to their urgency and second the ability of member to reach consensus on that reform agenda in a timely manner. We do understand that WTO reform could be easier said than done, hence it requires more consultative and practical approach to reach our shared objectives.

Regarding the Work Programme on Electronic Commerce, the MC12 decision on moratorium is explicit. Therefore, the Secretariat report on the impact of the moratorium on customs duties on electronic transmissions is important for us to provide guidance on the way forward. As a small island developing state we would need clarity on this issue to help guide our policies and decisions.

Finally, on the issue of the appointment of vacant chairmanship, we do support the need to have appointments be made in line with the established practices, the process also needs to be transparent and inclusive. Fiji looks forward to working with the Chairs of the committees and we're hopeful Chair with your leadership and the Director- General we should have a successful MC13 before us.

13. India

First of all, I would like to thank you Chair for your report and your intensive discussions which you had with us on various topics either directly or in small groups or in the third case through the

regional coordinators. I would also like to thank DG for her remarks and discussions which she is undertaking with various members.

Let me touch upon the three points that you have listed for today's discussion on WTO reform. Let me reiterate that the reforms must be consistent with the core principles which our founders have agreed on in the form of Marrakesh Agreement, and at the same time pay attention to the development issues, as mentioned by other co-sponsors of our joint proposal which is 778 Rev Four. We can say that this is the proposal from the developing countries side on WTO reform. This proposal highlights the issues that are important for developing countries and also addresses the core issues that concern us such as inclusivity and development.

Let me reiterate certain aspects from this proposal. The core values and basic principles must be preserved, and reforms should not be used as a pretext to erode these core principles and especially the principle of decision making by consensus. We also need to ensure that the reforms do not change the multilateral character of the WTO and we should not go back to the 1994-1995 era.

The process on reforms should be open, transparent and inclusive. It is important that the deliberations conducted are kept on record, views expressed, and proposals submitted by various members get due attention and considerations, and reforms should be agreed by all members before it is sent to ministers for consideration at MC 13.

In the context of a fair and inclusive process, we agree that the work might be undertaken by members in meetings of the subsidiary bodies, and work of these bodies should be periodically taken back to the General Council. Members should get detailed updates from the Chair of all the tracks that are evolving in the subsidiary bodies. They should be given the opportunity to engage in substantive discussions on the developments on each track and also the inter linkages between the different elements that might be addressed in the subsidiary bodies.

We support the open-ended sessions of the General Council and agree that this will be the right place for such periodical updates and related substantive discussions. Any decisions to be taken under this mandate, including on what are 'necessary' reforms should be undertaken in such dedicated open-ended sessions of the General Council.

Last, but not the least, the restoration of the two-tier fully functional disputes system by 2024 remains our top priority. It is important that ongoing conversations on this issue are mainstreamed as soon as possible.

On e-commerce, let me remind you of our discussion that happened last Wednesday in a small group configuration. I will not repeat the suggestions given there. I think the Secretariat has taken note. However, some of the things from that discussion I would like to reiterate here for transparency purposes. First of all, we see both the work programme and the moratorium decision not as an interlinked or joint decision. The Work Programme stands on its own legs and the Moratorium decision stands on its own legs.

When we decided in 1998 on the moratorium, the two issues which were pertinent at that point of time, were definition and the scope of what this moratorium will apply to. The second was the inability of members to have administrative or technical capacity, so that even if they make the decision for imposing customs duty, how will they implement that decision. Now, 25 years down the line, certainly we have taken care of one issue, which is the administrative and technical capacity of how to tax these transactions. A lot of countries have demonstrated in the last few years that it is doable, and it is possible. So what remains to be sorted out is the definition and the scope. For that we request the proponents of moratorium to come up with submissions and papers to substantiate their ask for an extension of moratorium and also define the scope and definition.

On the issue of reports, we have shared our views very clearly that we are not in support of any study to be taken up again through the Secretariat. Members are free to commission their own studies and use those studies and reports in their submissions, but certainly not a combined study of all members given to any other institutions. We have seen that even reports from UN bodies like UNCTAD have been disputed in this forum. So, in our opinion, it may not serve any purpose and the Secretariat report can also be argued for or against depending on which side of the spectrum the member is.

On the Work Programme, as mentioned by South Africa, we are working on submissions. We already have two submissions, one in the General Council, and one in the Council for Trade and Development. We are also working on deliberative papers for the other three councils, that is, TRIPS Council, CTS, CTG. I would like to thank some of the non-proponents who have shown eagerness and willingness and a very positive attitude that they now come out of that mindset of blocking the discussion of Work Programme in various councils and committees and they are willing to contribute to these discussions. Therefore, I would request, through you, that in all these councils, this agenda item can be taken up as a standing agenda item, which is what was mandated by the 1998 Work Program.

Finally, on the process of appointment of vacant chairmanships, we would request through you that the Troika should quickly help us in arriving at a consensus. Particularly COAS and NGR chairmanship should be filled quickly so that we can take the member driven process forward in a true sense.

14. Jamaica (CARICOM)

The CARICOM Group in Geneva wishes to thank you for setting the context for our discussions and for the report on the various consultations that you have engaged in over the last few weeks on the issue of WTO reform.

Since the end of the Uruguay Round, developing countries have advocated for reform within the WTO, particularly as it relates to levelling the playing field between small vulnerable developing countries like ours and developed countries.

We are therefore pleased to see that the issue of WTO reform has gained some traction over the last few years, including through a consensus agreement by Ministers on paragraphs 3 and 4 of the MC12 outcome document.

We are currently undergoing internal reflections on how we will engage on defining our interests in the different areas where WTO reform is being contemplated. We would however wish to use the opportunity of this informal meeting to put forward a few general perspectives.

We recognize that given the varying levels of development and circumstances, Members have diverse interests and therefore different views on what WTO reform should look like. Generally, our aim must be to ensure that the interests of all Members are reflected in any outcome in the name of WTO reform. This is particularly important for those WTO Members that are small and whose peculiar circumstances give rise to issues that whilst being critical to them, may not be critical to other WTO Members. We must seek to ensure that all Members can see themselves reflected in any reform efforts.

We must seek to ensure that the foundational principles of consensus, transparency, openness, and inclusiveness continue to be the basis on which we work and take decisions in this august organization. Our preference, and the existing modus operandi of the WTO is for based on multilateralism and therefore on multilateral approaches, particularly on issues that form the core work of the WTO.

The CARICOM Group has been among those to have called for a dedicated discussion focused on defining what is meant by WTO reform and how we treat those elements within the broader framework so titled. We believe that the discussion on WTO reform should include the issue of dispute settlement, and more specifically the Appellate Body issue. Such discussions should be based on negotiations held within the General Council and its relevant subsidiary body, the DSB.

Our Group will revert more substantively on the issue of WTO reform as our discussions, both internal and with other Members, evolve. We stand ready to contribute to your consultative processes, in this and other configurations.

We also wish to thank Members for ultimately demonstrating the flexibility and the spirit of compromise that allowed us to arrive at a decision on the Work Programme at MC12. We commend the Minister Facilitator from St. Vincent and the Grenadines for her role in this regard.

The CARICOM Group has been among those Members calling for meaningful reinvigoration of the

Work Programme on Electronic Commerce. We have also underscored on multiple occasions that the development dimension of the Programme is of critical importance for us.

The Ministerial Decision duly reflects elements for which the Group has advocated, and we are aware that the onus lies with delegations such as ours to contribute meaningfully to the very process of intensified discussions for which we have been persistent advocates. We recognize that key to this would be proposals brought forward by Members and acknowledge that we would need to do our part.

In this regard, the Group is keen to participate in any discussion that aims to identify the specific topics to be addressed in the period ahead under the Work Programme. We are mindful of the fact that lists of issues have been compiled on previous occasions, and we continue to hold the view that WT/L/274 should remain a basis for our work. Nevertheless, we believe that key to the success of the mandated efforts to reinvigorate our work is the identification of issues that are pertinent to our current and future challenges and opportunities as developing countries in a rapidly-changing international trade context.

On the moratorium in particular, Chair, we were of the view that renewal was the most pragmatic approach at the Ministerial. We note the specific timelines identified in this regard in the Ministerial Decision. Chair, the usual circular discussions on the moratorium will not allow us to secure a mutually acceptable outcome by the next Ministerial. Perhaps a fresh approach is needed, and this should be undergirded by a spirit of compromise and pragmatism. The Group stands ready to engage in good faith in this regard.

The CARICOM Group associates with the statement by Kenya on behalf of the ACP Group.

15. Japan

On WTO reform, we would like to highlight the importance of basing our WTO reform work on real experience of Members in the WTO's daily transactions and operations of this institution. In this regard, the work carried out and initiatives taken, with a view to further improve the respective Committees, are of fundamental relevance. Perhaps, this is where effective and meaningful reform efforts should start. In this delegation's view, this would also be the space where Members would find a good chance to find common interest and, thus, to share their orientations of the reform work.

In this context, the General Council, as the supervising body of the entire reform work, would serve to oversee and guide the efforts and initiatives of respective Committees, by, for example, facilitating exchanges of good initiatives and, as appropriate, collaborative/joint initiatives of committees on cross-cutting agenda. The General Council would also serve to discuss, as appropriate, and in an informal format, the horizontal and across-the-board reform agenda. In this context, we thank Mr. Chairman for your proposal to have informal conversation at the end of this month or early next month on the cross-cutting interests of Members.

On Dispute Settlement, we support your proposal, that is, for a moment to have current and ongoing informal initiative among Members to develop first, before commencing a formal process here at the General Council.

We would like to say that we are ready also to engage constructively in a discussion on the development dimensions in the context of respective functions of the WTO.

I would also like to touch very quickly about the E-Commerce Work Programme /moratorium. We believe the Work Programme serves as a solid foundation for our longstanding practice of the Moratorium on Customs Duties. In this regard, we will continue to engage in the work under the Work Programme. We recognize the discussion, which is the priority from the viewpoint of our business constituencies on moratorium, will continue under the Work Programme. Japan will be constructively engaged in discussions. We strongly hope that all Members including those who are sceptical of the extension on moratorium will also engage in the discussion constructively.

Lastly, we believe that we should discuss a way to proceed with a discussion on the Work Programme under the General Council and specific topics that a wide range of Members agree should be

discussed in detail at each committee or council, given that the Moratorium on Customs Duties is a horizontal topic.

16. Kenya (ACP Group)

Work Programme on Electronic Commerce

The ACP Group thanks you for the report on your consultations on the 1998 Electronic Commerce Work Programme in light of the MC12 decision.

The ACP Group has been a staunch supporter of reinvigorating the Work Programme and has been consistent in General Council meetings in not only supporting structured discussions but also by requesting that such discussions cover all issues within the scope of the Work Programme. We are therefore encouraged by the level of engagement that is being demonstrated by Members, particularly as it relates to the development dimension.

While many of the views and ideas that you may hear today may have already been voiced, we are all cognizant that the digital divide, including as it relates to ecommerce, has widened over the years, particularly in light of the rapid evolution of the technologies and ecommerce associated with the onset of the COVID-19 pandemic. The fact remains that although global ecommerce has grown astronomically over the last few years, a few countries have dominated the market and have derived significant benefits from this economic endeavour.

Our intervention today is preliminary. It reflects ongoing work within the ACP Group to unpack the challenges faced by our Members as well as the opportunities that could be derived from electronic commerce. Our work focuses on the role that the WTO can play in assisting our countries achieve concrete results from the work programme.

At the very least, our work should seek to instruct the WTO Secretariat to update their background notes for each body charged with the Work Programme to allow for the current realities on ecommerce to be reflected. In so doing however, greater efforts will need to be made to go beyond the inclusion of basic per capita indicators such as the number of mobile phones. Consideration should also be given to the fact that developing countries are not homogenous grouping and so no one size fits all.

We are not naive to think that continuing as we have over the last twenty years will deliver on concrete results on the ground in our countries. Equally, we are also not convinced that a complete revamp of the Work Programme will bring us any closer to achieving this objective. We believe that without the requisite political will of all Members, our divergences on the elements under the work programme, will remain. We need to shift the discussions to a stage which can assist developing countries to become exporters, rather than mere importers of ecommerce goods and services; and to ensuring that MSMEs in our countries can have adequate access to finance, particularly given that some of the challenges faced with regard to access to finance are beyond our control at the national level.

Whilst the CTD has been mandated to "examine and report on the development implications of electronic commerce, taking into account the economic, financial and development needs of developing countries", the discussions on issues to be examined in other bodies cannot be divorced from the development dimension. In other words, development and therefore the development dimension of the Ecommerce Work Programme, is cross-cutting, and therefore must not be limited to the CTD. Rather, it should be infused within the discussions on all areas. In this regard the 1998 Declaration on Global Electronic Commerce sets out specific work to be conducted in four subsidiary bodies, in addition to CTD, these are the CTG, CTS, and TRIPS. We would like to see an increased and consistent level of engagement with the Working Party on Electronic Commerce (WPEC) in all the mandated bodies.

In the past we have indicated that in addition to the question of customs duties and electronic transmissions, other issues raised in the Work Programme, including data localisation, data flows, source code and issues pertinent to the digital divide that hinder the fuller participation of ACP consumers and businesses in electronic commerce, should also be discussed within the structured discussions framework. These discussions would encompass goods ordered online and delivered

physically as well as goods ordered and delivered online. Moreover, issues regarding infrastructure, including internet penetration, technology, and equipment, along with know-how, payment systems, the sustainable provision of electricity and bandwidth are weak or lacking in some of our Members. In any case, deliberations under the Work Programme should explore solutions that support the inherent needs of all WTO Members, particularly those amongst us that need to be enabled if we are to see advances in closing the gap in the digital divide.

In so doing, we must keep in mind that there are estimated revenue loss concerns as well as the impact on consumers in developing countries who would bear the cost of tariffs. The same considerations would also be necessary for internal taxes.

Any discussions on the issue of electronic transmissions should be premised on the Ministerial Decision reached at MC12 which set a definitive date for termination of the moratorium. In addition, they should not only take into account the present situation and activities of our economies, but the future of what digital goods and content will realistically become for all countries as well as the levels of technology that would ensure a level playing field as the digital divide begins to close.

We are examining the idea that has been floated by some Members to advance list of issues for discussion over the next few months. We are however cognizant that priorities will differ across the Membership and so issues of critical importance to our Members may not resonate or be of high priority to other Members. We would therefore wish to reiterate what we as Members all know, that any member may at any time place an item on the agenda of any WTO meeting.

Before we close, we would wish to seek clarity on one issue, paragraph 1.2 of the 1998 Work Programme on Ecommerce sets out the central role of the General Council, including in keeping the work programme under continuous review through a standing item on its agenda. We would wish to know whether the mandate for the standing item to be on the agenda of the General Council has been revoked by our Ministers or the General Council.

In closing, we wish to reiterate the high level of importance we place on the principles of consensus, transparency, inclusiveness and openness, as well as the Member-driven nature of the WTO. The ACP Group will continue its internal reflections on future work over the next few weeks and stands ready to engage with all Members on reinvigorating the Work Programme on Electronic Commerce.

On the WTO reform

I make this statement on behalf of the ACP Group.

At the outset, we want to thank you for taking the initiative over the past couple of weeks to meet with Members in various configurations on this very important matter of WTO reform. Our Ministers have given us a mandate and a license to move forward on this issue and the ACP intends to be engaged and be constructive in our collective endeavour.

The ACP Group believes that discussions on WTO reform should:

- a. adhere to the principles of transparency, inclusiveness, consensus-based decision-making, and fairness and equity in the balance of WTO Members' rights and obligations;
- ensure the interests of developing counties and LDCs are advanced through the application
 of special and differential treatment in WTO agreements, addressing asymmetries in WTO
 Agreements and a rebalancing of trade rules to provide them the policy space to pursue
 their strategic and industrialization objectives and change the structure of their
 economies;
- c. foster greater coherence between trade and development, including an enhanced role by the WTO to raise standards of living and employment, and for promoting sustainable development as enshrined in the Marrakesh Agreement Establishing the WTO;
- d. facilitate inclusive growth and development, integration of developing countries and LDCs in global value chains in view of increasing their participation in global trade, and facilitation of their movement up production value chains;

- e. enable the WTO to work efficiently and effectively through its Councils, Committees and Working Groups to support and accommodate the work of its heterogenous membership, in a manner that does not apply undue burden nor punitive measures; and
- f. reaffirm the foundational principles of the Marrakesh Agreement and strengthen the multilateral character of the WTO.

We recognize that some aspects of our work may need to take place at the level of the subsidiary bodies. However, these discussions must at some point, be brought to the General Council for approval, bearing in mind that due to the small size of many of our delegations, we are constrained in our ability to follow the work of several subsidiary bodies as closely as we would want to.

Added to this, we cannot emphasize enough the importance which we attach to ensuring that our discussions remain multilateral. We cannot, and will not accept decisions which are made sub-plenary and then brought to the membership as a *fait accompli*.

Furthermore, while we have greater clarity on the way forward with respect to paragraph 3 of the MC12 Outcome Document, we are less clear with respect to paragraph 4.

The ACP Group believes that consultations on how best to move forward on paragraph 4 of the MC12 Outcome Document would benefit considerably from a process which is convened by and facilitated by the office of the Chair of the General Council.

Our Ministers assigned great importance and urgency to addressing the challenges and concerns with respect to the Appellate Body, with a view to having a fully and well-functioning dispute settlement system (DSS) accessible to all Members by 2024.

While we acknowledge that there are informal conversations taking place on the DSS issues, we ought not to cede the responsibility of resolving the DSS matters to an informal process that for now remains without a name and without a face.

We call on those leading such informal processes to respect the principles of transparency, inclusivity and openness and to lay before all Members through the General Council, the nature and intention of their work.

As always, the ACP Group stands ready to engage constructively on all matters concerning WTO reform. Once again Mr. Chairman, thank you for your report and we reaffirm our commitment to deliver on our mandate for the reform of the WTO.

17. Nicaragua

WTO reform agenda

His Excellency Didier Chambovey, Chair of the General Council; Dr Ngozi Okonjo-Iweala, WTO Director-General; fellow Ambassadors and delegates, please accept a fraternal greeting from the people and Government of Nicaragua.

We are pleased to participate in today's informal session of the General Council in order to address these matters of great interest for developing countries.

With regard to WTO reform, Nicaragua wishes to express that we are open to participating in this process and therefore hope that it will be open, inclusive and transparent. This process must be Member-led and take into account the needs and interests of developing countries, least developed countries and small economies.

We highlight the importance of strengthening Special and Differential Treatment for developing and least developed countries. More than just a flexibility, it is a fundamental pillar of the multilateral trading system and we therefore hope that the reform process will recognize and address the development asymmetries among Members.

In addition, the reform process must guarantee due political space for developing and least developed countries. It must not alter or affect Members' rights and obligations under the WTO Agreements and the decisions approved by this Organization.

Work Programme on Electronic Commerce

Nicaragua would like to take this opportunity to draw Members' attention to the relevance of the Work Programme on Electronic Commerce, on which we have been working since 1998, with most discussions focusing on the moratorium without duly addressing the development elements contained in this Programme.

We are therefore of the view that, in order to revitalize this Work Programme, we need to tackle those aspects of interest for developing countries, especially small and vulnerable economies such as Nicaragua.

Nicaragua thus hopes that these proposals will address non-discriminatory access to information and communication technology (ICT) and telecommunications for the growth of electronic commerce, the digital divide and the infrastructure problems that are slowing the development of this sector.

18. Nigeria

Nigeria wishes to thank you for consulting respective Members on this important issue.

Nigeria is flexible on the institutional arrangement that would bolster the reform process. However, it is of critical importance that discussions on reform remain open, transparent, and inclusive. In our view, it should:

- i. adhere to the principles of transparency, inclusiveness, fairness, and equity within the balance of the rights and obligations of all Members under the covered Agreements.
- ii. Be geared towards the delivery of outcomes that would help Developing Countries overcome their development challenges and better use global trade to drive growth.
- iii. address simultaneously the longstanding Development issues on the negotiating agenda of the WTO, together with issues of commercial significance that foster inclusive growth, create jobs, and widen the circle of prosperity.
- iv. pave the way for updating the WTO rule book to accommodate commercially meaningful rules on digital trade, services, investment and MSMEs for the institution to be more effective and relevant to the diverse economic priorities of its members in this 21st century.
- v. As a matter of urgency address the challenges and concerns regarding the Appellate Body, and restore a full-fledged, well-functioning two-tier dispute settlement system accessible to all Members.

Nigeria would continue to engage constructively on this issue towards ensuring we collectively revitalize the WTO and enhance its role in global economic policymaking.

19. Peru

With regard to reform, Peru considers that the process upon which we are embarking must be inclusive, transparent and realistic in its ambition.

We agree with the Members that have suggested we make full use of all possible spaces, both formal and informal, to hold discussions and report on them. Accordingly, we must seek to undertake parallel work as part of which our efforts in the subsidiary bodies of the General Council constantly feed into the work of this Council.

Peru suggests that we start this process by defining the scope of the reform, as not all of us have the same take on the process. Discussions with a clear scope will prevent us from setting unrealistic objectives that would lead to failure.

Turning to the Work Programme on Electronic Commerce, Peru supports the possibility of holding dedicated discussions and hearing presentations from experts so that Members may gather a variety of perspectives and better inform decision-making.

With regard to the moratorium, Peru reiterates its support for a permanent moratorium as, in our view, it is contributing to the development of the digital economy and electronic commerce, particularly in Peru where it has had a positive impact on our MSMEs. However, in order to address concerns expressed by certain Members, discussions on the costs and benefits of this measure are welcome, highlighting how important it is for decisions to be evidence-based.

In terms of the appointment process for vacant Chairpersonships, we hope that we will be able to elect new Chairs as soon as possible. With respect to the Committee on Agriculture in Special Session (CoA SS), we are confident that we will be able to elect a Chair prior to the retreat convened for 24 October.

My delegation considers that the prompt filling of Chairpersonship vacancies is a matter of urgency, particularly those of the CoA SS and the Negotiating Group on Rules (NGR), given that the 13th Ministerial Conference will be held in December of next year at the latest. Time is of the essence.

Lastly, we reiterate our thanks to Ambassador Chambovey for his efforts. Rest assured of our delegation's readiness and commitment as we embark on the work ahead of us.

20. The Philippines

The Philippines would like to thank the Chair for his briefing on the status of consultations. We support a two-track approach to comprehensive WTO reform: there should be strong engagement from the Permanent Representatives in examining strategic and cross-cutting disciplines while the Committees should also be encouraged to consider technical changes that would make their work more substantive and efficient. We likewise would support the organization of a retreat or dedicated session where the Permanent Representatives can be both in listening mode and listen to invited resource persons as well as have a more informal channel to exchange views on core issues.

We also thank you for your views on the e-commerce work programme. The Philippines supports the work programme's reinvigoration and coordination of work under the four (4) WTO Committees. While we note the existing scope for the work programme, we wish to suggest that the membership consider a thematic and crosscutting approach to the work programme's implementation, including the organization of dedicated sessions focused on the sharing of member or regional experiences as well as engagement with relevant stakeholders.

21. Switzerland

Regarding the WTO reform, we have an important mandate from the MC12 regarding all 3 functions of WTO. Improving the monitoring function requires to enhance transparency of trade policies and practices across the board. There are several proposals under discussion in the General Council and elsewhere. It is important to improve the functioning of the committees. Here also, engagement is required, in order to achieve progress. We should continue to engage in those work streams as potential outcomes would pragmatically improve the deliberative and monitoring function. And we welcome the idea that the different subsidiary bodies report on their achievements to the GC. On dispute settlement, which is a fundamental priority for us, we must intensify our exchanges to reach a mutually beneficial outcome by 2024. We agree that the informal process under way be given some time, in order to institutionalize it in a not-too-distant future. On the negotiation function, the objective is to enhance the organization's ability to deliver results. We should explore ways on how negotiations can be conducive to meaningful outcomes where each member contributes in a manner consistent with its level of development. To that end, issue-specific S&DT architectures, effective technical assistance and capacity building, and ways to integrate JSIs in the greater WTO system are tracks worth considering. Finally, we welcome the Chair's suggestion for an informal space for discussion regarding the reform.

Regarding e-commerce, Switzerland welcomes the MC12 decision and believes that with this decision, WTO Members have come together and ensured that the WTO remains a relevant forum for discussion of 21st-century trade policy. We acknowledge the mandate to reinvigorate the work

programme "particularly in line with its development dimension". We remain open to better understand which topics should be given priority to. On the structure of our work, the Work Programme provides clear guidance on how to avoid a duplication of work between the subsidiary bodies and the General Council. Accordingly, horizontal matters including the moratorium will be dealt with most efficiently under the GC. In this perspective, we welcome your intention to revive the 'dedicated sessions', a format used in the past and that we see as conducive to efficiently structure the discussion. We are of course ready to engage on the different questions linked to the moratorium. These discussions should however not take place in a vacuum but should also be directly informed by how different stakeholder, including business on the ground, experience the moratorium.

Regarding vacant chairmanships, we think that they must be filled as soon as possible. What matters the most is to keep the organization operational. We cannot afford to slow down our work because of vacant chairmanships. We therefore call on all members to show pragmatism in the appointment processes.

22. United Kingdom

Thank you – both to the Chair for your reports on your consultations, and for the words of the Director General just now. Last week I was delighted to welcome a pretty big UK stakeholder delegation to the Public Forum here – together representing the interests of hundreds of thousands of British companies.

They came to Geneva because the WTO matters. It delivers predictability and transparency to its members, and creates jobs and growth in communities not just across the UK, but across the globe. And I want to say upfront how much they appreciate the work of the WTO, including the work of the Secretariat, in turning raw data in to accessible reports and resources; and they want to see more of that please DG. And they want to see more evidence-based decision making in this Organization right across the issues that we face.

Top of British businesses' agenda was - unsurprisingly - WTO reform; they want to see the WTO overcome its hurdles, to maximise its potential. And we agree - we want to see positive, practical changes that maximise the effectiveness of the WTO for all of us. And that must include, as so many have said here this morning, re-establishing a fully effective dispute settlement system mechanism. But we do need to give space, and a little bit of time, to the existing expert-led process to lay the groundwork for more formal decisions.

In all this work, we want to keep working with, listening to, and learning from, Members across the development spectrum. And that includes those with the sort of capacity constraints that people have mentioned this morning.

And I like to think we have a slightly unique perspective on that. We've had to get to grips, like many other recent Members, with the broader WTO system – from thousands of notifications, to interacting with Committees. And let me be clear that we appreciate we're very fortunate to have probably rather more people than most delegations here in Geneva – but, to be honest, we have still found some of that to be a challenge. So we are absolutely in the market for new thinking, new ideas on how to make the WTO more user-friendly for Delegations big and small.

So thank you Chair for outlining next steps on WTO reform; we support your approach, and are ready to engage across the membership as we move forward.

Just on the E-Commerce Work Programme, we are grateful for your consultations and remain committed to its reinvigoration, as our Ministers agreed back at MC12.

E-commerce was another key theme last week the Public Forum. A whole series of panels provided examples of how digital trade delivers in right across the globe – from supporting women entrepreneurs in Africa with reaching customers on the other side of the globe, to data helping small family farms optimise planting and harvesting practices.

I think we should try and draw inspiration from these discussions and address some of the challenges raised through the Work Programme. We want to work with developing nations to identify which

topics they would see as most valuable to discuss. This may include, but should not be limited to, the customs duties moratorium.

We want to work others over the coming weeks and months to develop a Work Programme that works for all, including businesses large in small across the developing world and the developed.

23. Zambia

My delegation associates itself with the Statements delivered by the Kenya on behalf of the ACP Group, Djibouti on behalf of the LDC Group and Cameroun on behalf of the Africa Group. Allow me, however, to make a few remarks in my national capacity on WTO reforms and e-commerce.

Firstly, I wish to thank you Chair for your Report in particular on the consultations undertaken with member states on the WTO reforms. It was a very important exercise and we appreciate the open, inclusive and transparent manner with which you conducted these consultations. We hope that the consultations will continue in this manner to allow all member states to have an opportunity to present their views within the different configurations as well as through the auspices of the General Council.

Secondly, I wish to thank the Director General for her well-articulated vision and outline of her priorities with regard to the implementation of the outcome decisions of MC12. Madam DG, we will not say you are in a hurry because it is important that the decisions made at the last Ministerial meeting are implemented in order for MC13 to have meaningful outcomes.

With regard to the discussions on WTO reforms, we remain committed and reiterate that the work on reforms must remain development centred and focused on addressing the systematic challenges within the WTO that have made it very difficult for member states particularly LDCs to fully utilize the various preferential mechanisms that are available to them. Therefore, any work on reforms must be motivated by the desire to transform the WTO into an institution that is able to expeditiously respond to the needs of its members, particularly the least developed among them.

With regard to what process should be put in place, my delegation hopes to see an inclusive, transparent and predictable process that takes into account the capacity constraints of small delegations in Geneva.

Lastly on e-commerce, our view is that the focus should remain invigorating of the Work Programme particularly on addressing the development aspects aimed at bridging the digital divide. As a starting point, my delegation therefore wishes to propose that we request the WTO and relevant experts to assist with developing a comprehensive monitoring and evaluation tool that can be easily adapted to a country, and facilitate empirical assessments of costs and benefits of the Moratorium.