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DRAFT GENERAL COUNCIL DECLARATION

ACTION PLAN TO ENHANCE SUPPORT FOR COTTON BY-PRODUCT DEVELOPMENT IN LDCS

Communication from Burkina Faso on behalf of the C-4 and Côte d'Ivoire

The following communication, dated 26 November 2020, is being circulated at the request of the delegation of Burkina Faso on behalf of the C-4 and Côte d'Ivoire.

The General Council,

Recalling the Ministerial Decisions of Nairobi in 2015 (WT/MIN(15)/46 of 21 December 2015) and Bali in 2013 (WT/MIN(13)/41 of 11 December 2013) on cotton development assistance;

Reaffirming the importance of enhanced investments and technology transfer enabling the development of sustainable cotton by-product industries that contribute to poverty alleviation through value addition, better integration into national, regional and international value chains, and ensuing income generation in cotton-producing developing countries, especially the least-developed countries (LDCs);

Taking into account the commitment of the Secretariats of the World Trade Organization (WTO), the United Nations Conference on Trade and Development (UNCTAD) and the International Trade Centre (ITC), within the framework of the joint initiative on cotton by-product development, approved by WTO Members at the meeting of the WTO Director-General's Consultative Framework Mechanism on Cotton (DGCFMC) of 21 November 2018;

Taking into account the support and cooperation of the Enhanced Integrated Framework (EIF), the International Cotton Advisory Committee (ICAC), the United Nations Industrial Development Programme (UNIDO) and the United Nations Food and Agriculture Organization (FAO);

With a view to enhancing the impact of action taken by the co-sponsors of the Sectoral Initiative in Favour of Cotton (C4) in collaboration with development partners;

Declares that:

We, WTO Members, share the goal of achieving increased revenues from cotton for stakeholders, especially smallholder and women farmers, by developing and adding value to cotton by-products.

We consider that additional income earning opportunities from cotton by-products could also increase resilience against market shocks as witnessed during the presently experienced COVID-19 pandemic.

We highlight the important contribution that, among other tools to achieve sustainable development, the circular economy and the utilization of wastes and residues in the value chain, followed by their

processing and commercialization as cotton by-products can make to the transition towards sustainable agricultural practices, as appropriate and in accordance with national circumstances.

We further note the significance of food/feed-related cotton by-products for increased food security.

We recognize the opportunities and challenges faced in developing countries and especially the LDCs, in particular by micro, small and medium-sized enterprises, in relation to the production, local processing and commercialization of cotton and its by-products.

We also recognize the important role of the WTO in promoting an open, transparent, non-discriminatory and predictable trade regulatory environment that facilitates the production, local processing and commercialization of cotton and its by-products.

We shall encourage public and private sector stakeholders to support enhanced investments and technology transfer to achieve the above-mentioned goals through the development of viable cotton by-product industries in LDCs.

By the same token, we endeavour to support technical assistance and capacity building activities to enable and accompany enhanced investments and technology transfer for cotton by-products in LDCs, with priority to activities aimed at:

- (1) Increased engagement of public and private sector stakeholders in commercial initiatives to add value to cotton by-products.
- (2) Enhanced capacity of cotton farmers, including women farmers, to collectively engage in value addition activities for cotton and its by-products (SDG 5).
- (3) Strengthened capacities of farmer representative groups to negotiate appropriate remuneration for produced fibres and by-products.
- (4) Enhanced capacity of cottonseed processors to improve oil recovery rates and market by-products effectively, including through modern, cost-competitive production techniques and technologies.
- (5) Improved capacity of policy makers to formulate evidence-based policies and ensure policy coherence in support of the development of cotton by-products.
- (6) Identifying the means to contribute to increased revenues for cotton producers and processors as well as for poverty reduction (SDGs 1, 8 and 10), including through the creation of sustainable and resilient industrial and trade-related infrastructure to the benefit of cotton producers and processors (SDGs 9 and 12).
- (7) Promoting consideration of ways in which economic operators in cotton value chains can be supported through appropriate assistance.
- (8) Engagement with existing mechanisms and programs for promoting transfer of technology and building capacity to add value to cotton by-products through technology transfer measures and technical and financial cooperation under Article 66.2 and Article 67 respectively of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).

We undertake to continue to conduct in the Consultative Framework a dedicated and focused discussion on these elements.

We encourage other partners from the development community to join us and to support and enhance the development of cotton by-products in developing countries and especially the LDCs.

We shall receive reports about progress on the implementation of this Joint-Action Plan at future WTO Ministerial Conferences and, on a regular basis, at DGCFMC meetings.
