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(22-4434) Page: 1/3

MC12 OUTCOME DOCUMENT - DRAFT1

Ministerial Conference Twelfth Session Geneva, 12-15 June 2022

We, the Ministers, meet in Geneva from 12 to 15 June 2022 for our Twelfth Session.

- 1. We resolve to strengthen the rules-based, non-discriminatory, open, fair, inclusive, equitable and transparent multilateral trading system with the WTO at its core. In this regard, we reaffirm the principles and objectives set out in the Marrakesh Agreement Establishing the World Trade Organization and underscore the relevance and critical role of international trade and the WTO in global economic recovery, growth, prosperity, alleviation of poverty, welfare of all people, sustainable development and to facilitate cooperation in relation to the protection and preservation of the environment in a manner consistent with respective needs and concerns at different levels of economic development.
- 2. We reaffirm the provisions of special and differential treatment for developing country Members and LDCs as an integral part of the WTO and its agreements. Special and differential treatment in WTO agreements should be precise, effective and operational. In addition, we recall that trade is to be conducted with a view to raising standards of living, ensuring full employment, pursuing sustainable development of Members, and enhancing the means for doing so in a manner consistent with Members' respective needs and concerns at different levels of economic development. We instruct officials to continue to work on improving the application of special and differential treatment in the CTD SS and other relevant venues in the WTO, as agreed and report on progress to the General Council before MC13.
- 3. We acknowledge the need to take advantage of available opportunities, address the challenges that the WTO is facing, and ensure the WTO's proper functioning. We commit to work towards necessary reform of the WTO. While reaffirming the foundational principles of the WTO, we envision reforms to improve all its functions. The work shall be Member-driven, open, transparent, inclusive, and must address the interests of all Members, including development issues. [The General Council will oversee the work] [The General Council and its subsidiary bodies will conduct the work], review progress, and consider decisions, as appropriate, to be submitted to the next Ministerial Conference.
- 4. We acknowledge the challenges and concerns with respect to the dispute settlement system including those related to the Appellate Body, recognize the importance and urgency of addressing those challenges and concerns, and commit to conduct discussions with the view to having a fully and well-functioning dispute settlement system accessible to all Members by MC13.
- 5. In this difficult context, we note with satisfaction the progress achieved by LDC Members who have met or who are about to meet the graduation criteria set by the United Nations Committee for Development Policy (CDP) and acknowledge the particular challenges that graduation presents, including the loss of trade-related international support measures, as they leave the LDC category. We recognize the role that certain measures in the WTO can play in facilitating smooth and sustainable transition for these Members after graduation from the LDC Category.
- 6. We underscore the importance of accessions, noting that although no new accession has taken place since July 2016, several applicants have made encouraging progress. In this regard, we remain committed to facilitate the conclusion of ongoing accessions, especially for least-developed countries

 $<sup>^{1}</sup>$  This draft text is without prejudice to Members' positions and to any action that Ministers may decide to take.

fully in line with the General Council Guidelines on LDC Accessions, and to provide technical assistance, where appropriate, including in the post-accession phase.

- 7. We recognize the special situation of the Members acceded in accordance with Article XII of the Agreement Establishing the World Trade Organization who have undertaken extensive commitments at the time of accession, including in market access. This situation shall be taken into account in negotiations.
- 8. We reaffirm our decision at the Tenth Ministerial Conference in Nairobi on implementation of preferential treatment in favour of services and service suppliers of least-developed countries and increasing LDC participation in services trade, and instruct the Council for Trade in Services to review and promote the operationalization of the waiver including to explore improvements in LDC services export data; to review information on LDC services suppliers and consumers of LDC services in preference providing Member markets; and to assess best practices in facilitating the use of the preferences. On this matter, we instruct the General Council to report to our next session on progress.

We reaffirm our decision at the Ninth Ministerial Conference in Bali on Duty-Free Quota-Free Market Access for Least-Developed Countries and instruct the Committee on Trade and Development to recommence the annual review process on preferential DFQF market access for LDCs. On this matter, we instruct the General Council to report on the progress to our next session.

We welcome the decision of the Committee on Rules of Origin (CRO) adopted on 14 April 2022 (G/RO/95) on Preferential Rules of Origin and the Implementation of the Nairobi Ministerial Decision. We instruct the CRO to report its work to the General Council ahead of the Thirteenth Ministerial Conference.

We also acknowledge LDCs' commitment and efforts in implementation of the TFA. We urge all Members to assist the LDCs in meeting their definitive category C deadlines.

We recognize the importance of Aid for Trade initiatives in trade-related capacity building for the LDCs. We recommend that such programmes prioritise the objectives identified by the LDCs.

- 9. We instruct the Trade Facilitation Committee to hold a Dedicated Session on transit issues annually until the next review of the Trade Facilitation Agreement is completed. These dedicated sessions will highlight the importance of transit and reserve time for the Committee to discuss best practices, as well as the constraints and challenges faced by all landlocked WTO Members, including landlocked developing countries and LDCs as outlined in G/TFA/W/53.
- 10. Services trade is vital to the global economy and has a major role to play in global economic output and employment. The COVID-19 pandemic has highlighted the importance of services and has had a significant impact on services trade and services sectors, particularly for developing Members, including least-developed countries (LDCs). We underscore the importance of recovery for services most impacted by the pandemic and of efforts to strengthen such services, taking into account challenges and opportunities encountered by Members. We acknowledge the need to facilitate the increasing participation of developing Members, including LDCs, in global services trade, including by paying particular attention to sectors and modes of supply of export interest to them. We take note of work in the area of trade in services.<sup>2</sup>
- 11. We take note of the reports from the General Council and its subsidiary bodies. These reports, and the Decisions stemming from them demonstrate Members' continued commitment to the work of the WTO, thereby strengthening its effectiveness and the multilateral trading system as a whole.
- 12. We recognize the importance of strengthened collaboration and cooperation with other intergovernmental organizations and other relevant stakeholders that have responsibilities related to those of the WTO, in accordance with the rules and principles of the WTO, to restore trust, certainty and predictability in the world economy and effectively address current and future multidimensional challenges.

<sup>&</sup>lt;sup>2</sup> As contained in WT/MIN(22)/W/12.

[- We recognize that women's economic empowerment, particularly in developing and least developed country Members, contributes to inclusive and sustainable economic growth. We acknowledge that the WTO, in collaboration with other relevant international organizations, such as UNCTAD and ITC, can provide a forum to engage on this topic.]

[- We note the significant negative impact that the COVID-19 pandemic has had on Micro, Small and Medium-sized Enterprises (MSMEs). Furthermore, we recognize the important contribution of MSMEs to economic and social development, the creation of employment, and sustainable and inclusive recovery efforts. We affirm the importance of promoting MSMEs' participation in international markets. We will continue to explore ways to promote MSMEs' involvement in international trade, including secure, diversified, and resilient supply chains.]

[- We recognize global environmental challenges including climate change and other natural disasters, loss of biodiversity and pollution. We note the importance of the contribution of the multilateral trading system to promote the UN 2030 Agenda and its Sustainable Development Goals in its economic, social, and environmental dimensions, as they relate to WTO mandates. We reaffirm the importance of providing relevant support, including technical assistance and capacity building, to developing country Members, especially LDCs, in order to achieve sustainable development. We note the role of the Committee on Trade and Environment as a standing forum dedicated to dialogue among Members on the relationship between trade rules and environmental measures.]<sup>3</sup>

Part II: Reference to separate decisions or declarations as adopted by Ministers

<sup>&</sup>lt;sup>3</sup> As provided by the proponents. Discussions are still ongoing.