

Occasional News Wrap – #1/November, 2021



The Road to the World Trade Organisation (WTO)'s Twelfth Ministerial Conference (MC12)

The 12th Ministerial Conference (MC12) of the WTO will take place from 30 November to 3 December, 2021 in Geneva, Switzerland. As the highest decision-making body of one of the most successful multilateral organisations, the Ministerial Conference always comes under immense scrutiny. This year, it has gained particular significance for multiple reasons.

First, MC12 is being seen as a crucial opportunity by developing countries to secure a waiver of TRIPS obligations that can facilitate an inclusive response to the COVID-19 pandemic. While the U.S. has indicated some support for a temporary waiver, the EU proposes use of existing TRIPS flexibilities as an alternative.

Second, MC12 follows on the heels of a relatively successful UNFCCC COP-26 that was held in Glasgow, Scotland. The success of MC12 will also be measured by comparing how the WTO fares in formulating and revising international norms on new issues.

A perusal of recent developments shows an evident preference for plurilateral forms of negotiations through Joint Statement Initiatives or Informal Working Groups. On the other hand, legacy issues that primarily affect developing countries continue to hit roadblocks. On the plurilateral front, progress has been noticed in work related to Micro, Small and Mediumsized Enterprises (MSMEs); new disciplines for services domestic regulation that aim to facilitate services trade; and investment facilitation. Multilaterally, some consensus has emerged on the integration of small economies into the world trading system. Bridging divides in the negotiations on fisheries subsidies remains a challenge.

However, it remains to be seen if MC12 will act as the fork in the road, determining how pressing issues of e-commerce, services, digital goods, health access and environment sustainability will be addressed in the future. Will the future trade agenda be forged through broad based consensus or fragmentated paths? Any Ministerial Declaration at MC12 will be closely examined for its repercussions for the developing world, and for the future of the WTO.

This is the second edition of CUTS Occasional News Wrap (ONW) in the run-up to MC12, capturing diverse views expressed on the subject. This ONW is categorised into two sections:

- News and developments at the WTO leading up to MC12
- Perspectives on trade issues leading up to MC12

News and developments at the WTO leading up to MC12		
1.	Negotiations on e-commerce advance, eyeing a statement at MC12 World Trade Organisation November 10, 2021	The co-convenors of the negotiations on e- commerce - Australia, Japan and Singapore - said at a meeting on 10 November they plan to issue a statement on behalf of the participating members to take stock of the work achieved so far. <u>The statement, to be</u> issued at the 12th Ministerial Conference (MC12), will also reiterate the commitment to achieving an ambitious agreement on e- commerce and set targets for work in the year ahead. Members also heard updates from facilitators of small group discussions and reviewed text proposals for the e- commerce agreement.
2.	DDG Paugam highlights MC12 expectations for WTO at EU Parliament event World Trade Organisation November 9, 2021	The WTO needs to provide clear signals <u>at</u> <u>its upcoming 12th Ministerial Conference</u> (MC12) that it can move forward and stay <u>relevant</u> , Deputy Director-General Jean- Marie Paugam told European Union parliamentarians and other stakeholders.
3.	Working group on small business discusses preparations for MC12 World Trade Organisation November 8, 2021	At their last meeting before the WTO's 12th Ministerial Conference (MC12), members of the Informal Working Group on Micro, Small and Medium-sized Enterprises (MSMEs) on 8 November reviewed the group's plans for MC12, including the launch of the Trade4MSMEs platform. The aim of the platform is to provide trade-related information to small businesses seeking to reach international markets and relevant information for policy makers.
4.	Revised fisheries subsidies text kicks off intensified negotiations ahead of MC12 World Trade Organisation November 8, 2021	At a meeting of the Negotiating Group on Rules at the Head of Delegation level, the chair of the fisheries subsidies negotiations, Ambassador Santiago Wills of Colombia, introduced on 8 November a second revision of the draft negotiating text to be used as the basis for clause-by-clause discussions among members aimed at

		resolving remaining differences ahead of the 12th Ministerial Conference (MC12) to be held on 30 November to 3 December. Director-General Ngozi Okonjo-Iweala said the text represents a good balance that addresses development issues and maintains ambition.
5.	Members discuss MC12 SPS Declaration, agree on schedule for thematic work in 2022 World Trade Organisation November 5, 2021	At a meeting of the Committee on Sanitary and Phytosanitary (SPS) Measures held on 3-5 November, members discussed a paper on new opportunities and emerging challenges in international trade in food, animals and plants submitted to support the proposed <u>SPS Declaration for the WTO's</u> <u>12th Ministerial Conference (MC12)</u> . Under the new chairmanship of Juteau Déadjufo Toussé of Cameroon, the Committee agreed on a schedule for thematic work in 2022 and discussed a proposal to develop a work programme on the global transition towards sustainable agri-food systems.
6.	Members agree on recommendation to extend moratorium on IP "non- violation" cases World Trade Organisation November 5, 2021	At a meeting of the Council for Trade- Related Aspects of Intellectual Property Rights (TRIPS) on 5 November, WTO members agreed on a draft ministerial decision on so-called non-violation and situation complaints in the area of intellectual property (IP). <u>The decision is expected to be adopted at the WTO's 12th</u> <u>Ministerial Conference (MC12)</u> to be held in Geneva on 30 November - 3 December.
7.	Participants make headway in finalizing negotiations on services domestic regulation at MC12 World Trade Organisation November 4, 2021	As negotiations on services domestic regulation move into their final stages, WTO members have submitted 24 schedules of services commitments - representing commitments from 50 members - the chair, Jaime Coghi (Costa Rica), told participants at a meeting on 4 November. <u>Participants also continue to</u> <u>draft a ministerial outcome document for</u>

		the 12th Ministerial Conference (MC12) to be held at the end of November.
8.	LLDC ministers adopt declaration on trade-related priorities in run-up to MC12 World Trade Organisation November 4, 2021	Trade ministers from landlocked developing countries (LLDCs) adopted at a meeting at the WTO on 4 November <u>a</u> <u>declaration outlining their trade priorities</u> <u>ahead of the 12th Ministerial Conference</u> (MC12) to be held at the end of November. Director-General Ngozi Okonjo-Iweala underscored in her opening address the challenges faced by LLDCs and reiterated her commitment to promoting a more inclusive multilateral trading system.
9.	Investment facilitation agreement negotiators advance work for MC12 World Trade Organisation November 3, 2021	WTO members taking part in the negotiations for an agreement on investment facilitation for development (IFD) have <u>discussed their plans and</u> <u>expectations for the WTO's 12th</u> <u>Ministerial Conference (MC12)</u> to be held in Geneva on 30 November - 3 December. At a meeting on 2-3 November, participating members also addressed a number of provisions in several sections of the so-called Easter text, the consolidated document which serves as the basis for the negotiations.
10.	DDG Ellard cites the importance of business involvement in reinvigorating the WTO World Trade Organisation November 2, 2021	The importance of a successful MC12 can hardly be overstated. It's necessary to show that the WTO is back on track, fit for addressing the challenges of the 21st century, and can deliver for Members and people relying on trade to drive a strong economic recovery. To get there, we need a strong commitment and political will from all WTO Members, and the business community, to get tangible results. At the same time, we have to be realistic because some issues may be more difficult and won't conclude at MC12. For such issues, MC12 may focus on working toward a future outcome, with work programs to be developed in some areas.

11.	DDG Ellard calls on Arab ministers to intensify engagement ahead of MC12 World Trade Organisation October 31, 2021	Deputy Director-General Angela Ellard participated on 31 October in the Preparatory Meeting of the Arab Trade Ministers for MC12. Speaking on behalf of Director-General Ngozi Okonjo-Iweala, she called on ministers to fully and proactively <u>engage in the process to ensure a successful</u> <u>12th Ministerial Conference (MC12).</u>
12.	Members report on progress in finding landing zones in fisheries subsidies negotiations World Trade Organisation October 29, 2021	Heads of delegations on 29 October reported progress in their bilateral and small group discussions on fisheries subsidies ahead of the 12th Ministerial Conference (MC12), with many noting a broad willingness across the membership to explore solutions to bridge differing positions.
13.	WTO agriculture negotiations at "critical juncture", Chair tells delegation heads World Trade Organisation October 28, 2021	With less than five weeks until the WTO's 12th Ministerial Conference (MC12), due to take place from 30 November to 3 December, <u>the agriculture negotiations are</u> <u>at "a critical juncture"</u> , the Chair of the Committee on Agriculture in Special Session, Ambassador Gloria Abraham Peralta (Costa Rica), noted at a meeting on 28 October.
14.	DDG Ellard stresses the importance of health-related outcome at MC12 World Trade Organisation October 26, 2021	In remarks delivered to the "Trade and Health" series on 26 October hosted by the International Chamber of Commerce and the Geneva Chamber of Commerce, Industry and Services, Deputy Director- General Angela Ellard presented the major issues to be discussed at the WTO's <u>upcoming 12th Ministerial Conference,</u> (MC12), particularly those relating to pandemic response.
15.	Participants on track to conclude negotiations on services domestic regulation at MC12 World Trade Organisation October 25, 2021	Australia, Canada and the United States submitted their <u>draft services schedules</u> <u>outlining how they will incorporate the new</u> <u>disciplines on domestic regulation for trade</u> <u>in services</u> into their existing commitments at a meeting on the Joint Initiative on

		Services Domestic Regulation on 25 October. Eleven other participants indicated they were on track to submit their schedules by the 29 October deadline set by the chair Jaime Coghi Arias of Costa Rica.
16.	WTO members hear LDC priorities on services trade for MC12, address various trade concerns World Trade Organisation October 22, 2021	At a meeting of the Council for Trade in Services on 22 October, members addressed the operationalization of a waiver from WTO rules that allows members to offer more favourable market access for service providers from least-developed countries (LDCs). Members also <u>raised</u> <u>several services-related trade concerns</u> in the Council and discussed implementation of services commitments at a separate meeting of the Committee on Specific Commitments, one of the Council's subsidiary bodies.
17.	Plastics dialogue on track for very positive MC12 outcome, says co- coordinator World Trade Organisation October 22, 2021	WTO members participating in the Informal Dialogue on Plastics Pollution and Environmentally Sustainable Plastics Trade (IDP) discussed on 22 October a draft ministerial statement regarding a roadmap for the IDP's work in support of global efforts to reduce plastics pollution and to transition towards environmentally sustainable plastics trade. Ambassador George Mina (Australia), who chaired the meeting, stressed that the statement is a significant step forwards and urged participants to garner broader support from the WTO membership before the 12th Ministerial Conference (MC12) at the end of November.
18.	LDC trade ministers adopt declaration on trade-related priorities ahead of MC12 World Trade Organisation October 19, 2021	Trade ministers from close to 30 least- developed countries (LDCs) adopted a declaration outlining <u>LDCs' trade priorities</u> <u>in the run-up to the 12th Ministerial</u> <u>Conference (MC12) and beyond</u> at a virtual meeting on 19 October where they also discussed the state of play in the WTO negotiations. "MC12 should respond

		adequately to mitigate the social and economic consequences of the COVID-19 pandemic," said Ali Djadda Kampard, Chad's Minister for Trade and Industry and Coordinator of the WTO LDC Group.
19.	Members agree on draft MC12 decision on small economies' integration into trading system World Trade Organisation October 19, 2021	WTO members agreed on 19 October 2021 on a decision to be submitted to trade ministers for approval at the 12th Ministerial Conference (MC12) at the end of November to help further the integration of small economies into the world trading system. Adopted at a meeting of the Committee on Trade and Development's Dedicated Session on Small Economies, <u>it</u> <u>is the first decision proposed for MC12</u> where consensus has been forged.
20.	WTO agriculture negotiators must step up engagement for MC12, says Chair World Trade Organisation October 15, 2021	The Chair of the WTO agriculture negotiations, Ambassador Gloria Abraham Peralta (Costa Rica), has told trade officials that the consultations she has held with small groups of members have been constructive but that <u>negotiators must step</u> <u>up their engagement with one another</u> <u>ahead of the WTO's 12th Ministerial</u> <u>Conference</u> (MC12) at the end of November.
21.	Members pursue convergence for an IP COVID-19 response World Trade Organisation October 14, 2021	At a meeting of the Council for Trade- Related Aspects of Intellectual Property Rights (TRIPS) on 13-14 October 2021, WTO members noted encouraging exchanges at recent small group discussions and bilateral meetings which helped to identify points of convergence on how to provide a common intellectual property (IP) response to COVID-19. The chair of the TRIPS Council, Ambassador Dagfinn Sørli of Norway, announced he would continue to consult with members on how to move towards a consensus before the WTO's 12th Ministerial Conference (MC12), to be held on 30 November - 3 December.

22.	E-commerce negotiations: Co- convenors urge members to intensify efforts ahead of MC12 World Trade Organisation October 13, 2021	The co-convenors of the negotiations on e- commerce have urged participating members to intensity their efforts <u>and to</u> <u>make further progress ahead of the WTO</u> <u>12th Ministerial Conference (MC12)</u> starting in late November. In the current global context and with the COVID-19 pandemic continuing, stakeholders are expecting this initiative to continue to yield results, they said at a plenary meeting held on 13 October.
23.	Members discuss preparations for MC12 regarding trade and environment World Trade Organisation October 12, 2021	At the 12 October meeting of the Committee on Trade and Environment (CTE), WTO members discussed the potential contributions of the WTO and the Committee to the topic of trade and the environment for the upcoming 12th Ministerial Conference (MC12) to be held at the end of November.
24.	DDG Zhang: A successful MC12 is critical for reinvigorating the WTO World Trade Organisation October 11, 2021	Speaking at the Fifth Singapore-WTO Policy Dialogue on the World Trading System on 11 October, Deputy Director- General Xiangchen Zhang underlined <u>the</u> <u>importance for WTO members to deliver</u> <u>concrete results at the organization's</u> <u>upcoming 12th Ministerial Conference</u> (MC12).
	Perspectives on trade issu	es leading up to MC12
1.	Key role for WTO to meet emission targets TNC Rajagopalan Business Standard November 07, 2021	At the Glasgow Climate Change Summit, the leaders of various countries are announcing their zero-emission targets and the delegates are discussing ways to meet those targets without seriously disrupting the global economy. In moving towards those environmental goals, <u>the role of</u> <u>international trade in goods</u> , <u>services and</u> <u>technologies and that of the World Trade</u> <u>Organisation (WTO) are very important</u> .

2.	Expectations from WTO's 12th ministerial meet Biswajit Dhar The New Indian Express November 07, 2021	Not surprisingly, therefore, <u>expectations</u> <u>from the MC12 are running high</u> as the decisions taken by the trade ministers of the WTO member states to rejig the trade rules and to agree on a work programme for the organisation will be crucial not only for the maintenance of the growth momentum of trade, but also to ensure that the economically weaker countries can partake in the benefits from trade. The question is whether MC12 can realise the crucial latter objective.
3.	Charting a trade route after the MC12 Biswajit Dhar The Hindu November 06, 2021	Does the run-up to the MC12 provide any evidence that the <u>global</u> trading system can be slightly less iniquitous than it has been? The answer lies in the possible outcomes in some of the areas that are currently witnessing intense negotiations. These include adoption of WTO rules on electronic commerce, investment facilitation, and fisheries subsidies. But there is one issue that surmounts all others, namely, the WTO's response to demands that technologies necessary for producing vaccines, medicines, and other medical products for COVID-19 treatment should be available without the restrictions imposed by intellectual property rights (IPRs).
4.	WTO's fisheries-subsidies curbs need balance The Financial Express November 05, 2021	Ahead of the 12th ministerial conference of the World Trade Organisation (WTO) in Geneva, India is rightly seeking amendments to the draft text on fisheries subsidies to bring greater balance and fairness to the agreement. Talks among WTO members are in a crucial phase to secure a clean text to eliminate subsidies for illegal, unreported and unregulated fishing and to prohibit certain forms of fisheries subsidies that contribute to overcapacity and overfishing.

5.	The future of world trade depends on US leadership Jennifer Hillman and Inu Manak The Hill October 25, 2021	The fate of the world's leading trade institution hangs in the balance. The World Trade Organization (WTO) has been in a state of sustained, low-burning crisis for nearly five years. And in less than two months, trade ministers will gather in <u>Geneva with the hope of reviving it</u> by concluding negotiations on a wide range of issues. Failure to achieve meaningful results could hasten the WTO's slide toward irrelevance in setting or maintaining the basic rules of international trade.
6.	India, developing nations continue to push WTO for permanent solution on MSP, public stock holding Amiti Sen The Hindu Business Line October 19, 2021	Although an interim "peace clause" was devised in 2013 to protect developing nations from being legally challenged for breach of subsidy levels, it is hard to use as it is subject to numerous notification requirements. India and the others are demanding that a permanent solution, that would cover all farm products and not involve numerous notifications, should be delivered at the WTO MC12 in Geneva starting on November 30.
7.	The present format of WTO negotiations may push India's MSMEs to a corner Murali Kallummal and Simran Khosla The Economic Times October 15, 2021	The World Trade Organisation's (WTO) <u>12th ministerial conference at Geneva this</u> <u>November has a potentially life-changing</u> <u>proposal for MSMEs</u> , irrespective of whether they are part of international trade or not. It is time industry associations and policymakers paid heed.
8.	G20 trade ministers: Emergency trade measures to tackle Covid-19 must not create unnecessary barriers Kirtika Suneja The Economic Times October 13, 2021	On plurilateral negotiations called Joint Statement Initiatives (JSI) on E-Commerce, Investment Facilitation for Development and Services Domestic Regulation, <u>the</u> <u>grouping backed active participation of all</u> <u>WTO members in the initiatives for a</u> <u>meaningful progress at the upcoming 12th</u> <u>WTO Ministerial Conference</u> (MC12).