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TN/C/M/34



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16 April 2014

Page: 1/44

Page

Trade Negotiations Committee 7 April 2014

MINUTES OF MEETING

HELD IN THE CENTRE WILLIAM RAPPARD ON 7 APRIL 2014

Chairperson: Mr. Roberto Azevêdo (Director-General)

Contents

		0
1	STATEMENT BY CHAIRMAN	1
2	REPORTS BY CHAIRPERSONS OF BODIES ESTABLISHED BY THE TNC	3
3	STATEMENTS BY PARTICIPANTS	8
Tŀ	NNEX I - STATEMENT BY AUSTRALIA ON BEHALF OF THE CAIRNS GROUP AT HE INFORMAL MEETING OF THE SPECIAL SESSION OF THE COMMITTEE ON GRICULTURE ON 28 MARCH 2014	38
IN	NNEX II - STATEMENT BY BRAZIL ON BEHALF OF THE G-20 GROUP AT THE IFORMAL MEETING OF THE SPECIAL SESSION OF THE COMMITTEE ON GRICULTURE ON 28 MARCH 2014	40
	NNEX III - STATEMENT BY CUBA AT THE INFORMAL MEETING OF THE SPECIAL ESSION OF THE COMMITTEE ON AGRICULTURE ON 28 MARCH 2014	41
	NNEX IV - STATEMENT BY CUBA AT THE INFORMAL MEETING OF THE EGOTIATING GROUP ON MARKET ACCESS ON 31 MARCH 2014	42
	NNEX V - STATEMENT BY CUBA AT THE FORMAL MEETING OF THE SPECIAL ESSION OF THE COUNCIL FOR TRADE IN SERVICES ON 1 APRIL 2014	43
	NNEX VI - STATEMENT BY SOUTH AFRICA AT THE GENERAL COUNCIL MEETING N 14 MARCH 2014	44

1 STATEMENT BY CHAIRMAN

1.1. The <u>Chairman</u> recalled that in his remarks to the General Council on 14 March, he had said that Members had made a strong start in the discussions towards developing a work programme for the conclusion of the Doha Round. Since then, the level of activity had increased again and progress had been made. All of the negotiating groups had held an open-ended meeting – with the exception of the Rules Group which would be doing so shortly. Everyone had had the chance to make their views known. He had also been meeting with the Chairs during this period – both individually and collectively – to hear their reports on what had been discussed and what progress had been made. His impression was that there had been a positive atmosphere in the consultations. Many Members had expressed willingness to be open-minded, creative, and to work together to find a way forward. While positive, the consultations had not yet produced anything very new in terms of Members' stated positions. Well-known arguments around the "status of the modalities texts" (the draft Rev.4 modalities text in agriculture, TN/AG/W/4/Rev.4, and the draft Rev.3 modalities text for non-agricultural market access (NAMA), TN/MA/W/103/Rev.3 and Add.1) or "the question of balance" or "sequencing" or the need for "new data" had been rehearsed.

TN/C/M/34

- 2 -

1.2. The Chairman had also been carrying on his own consultations with delegations in Geneva individually and in groups, such as the special meeting of the African Group held a couple of weeks earlier. He had also been taking the opportunity in his travel outside Geneva to consult with Members – with Ministers, senior officials and leaders. In all these conversations, he had sensed that people wanted to find a way forward – they knew what was at stake for the multilateral trading system. People wanted to finish the job. The task now was to match the desire for progress with an acceptance of the practical steps needed to achieve it. In his view, the end of the first phase of this process had been reached. It was time to shift things up a gear and move into a second phase, focused on resolving the problems that had been outlined – testing what had gone wrong and putting forward potential solutions.

1.3. Everything he had heard in recent days and weeks suggested that Members needed to deepen their discussions, and engage in a more direct, purposeful manner in order to identify the best way forward. Rather than restating old positions and aiming for perfect outcomes, Members had to accept that there were no perfect outcomes. Instead they had to focus on the art of the possible. For example, some had been saying that the negotiations needed to be concluded using the 2008 draft modalities texts as they were. These texts were an important part of how to assess the situation. They were the result of a genuine attempt by the respective Chairs to strike a balance and to move towards a zone of convergence acceptable to all Members. However, despite their obvious contribution to the negotiations, Members could not agree on those texts when they had been issued in 2008. They could not agree on them at that time, they could not agree on them at that time. He said that if any Member insisted that those texts were cast in stone and unalterable, then that Member had made a choice; a choice that irreparably condemned any effort to failure. Members, therefore, had to resume the task of finding the balance and the convergence that would enable progress towards the conclusion of the Round.

1.4. However, he stressed that while it was true that the 2008 draft modalities texts were not agreed, he firmly believed that they could offer very useful parameters to frame the efforts in shaping a work programme to conclude the Doha Development Agenda (DDA). Members had to build on the insights and recommendations contained in those texts. The work that had been put into them could not be disregarded. Therefore, those texts had to be used as an important input, but Members had to look for solutions that could lead to convergence.

1.5. In his view, Members needed to be creative in this exercise, rather than repeating wellknown positions. He did not think that kind of discussion was conducive to where Members needed to go. Instead, Members needed to test what options were available to find new solutions. In carrying out the work in this phase, he considered it helpful to recall the parameters from the February meeting of the Trade Negotiations Committee (TNC), which many Members had adopted: balancing realism and ambition by focusing on what was doable; being creative and open-minded; recognising that the issues were interconnected so they had to be tackled together; being inclusive and transparent; maintaining a sense of urgency; and keeping development at the heart of the efforts. As Members began to put forward concrete ideas and proposals, these parameters would be even more crucial. In his view, they were the *sine qua non* of everything Members were trying to do.

1.6. Moving into this new phase, he had asked the Chairs of negotiating groups to further broaden their contacts with delegations and conduct increasingly focused conversations aimed at identifying what could be done. He urged everyone to concentrate on what was possible; on what was doable. Unfortunately, every time he talked to a delegation about doability, he would get the same reaction. All delegations feared that doability was about taking the pressure off somebody else and keeping or increasing the pressure on them. He wished to assure them that, as far as he was concerned, doability was about finding a balance that worked for everyone. So, he suggested that Members put aside the conspiracy theories and move into the second phase of discussions with an open mind and in good faith. Success was only possible if all Members were equally unhappy with the final outcomes. Delegations had to be prepared. He urged them to remain fully engaged and not to wait for the Chairs, but to talk to each other and test out their ideas.

1.7. He assured Members that he did not have a magic solution. But on the basis of his own consultations and what he had been hearing from Chairs, he was increasingly of the view that whichever approach, Members would need to tackle the really tough areas of agriculture, NAMA and services. He was increasingly of the view that Members had to look at these issues in a more integrated way than before. Agriculture was a central focus, as had been made clear in the Bali

Declaration itself. But, there was no hiding from the reality that once Members started talking about one of these issues, the other two inevitably would come into play. He was not suggesting that the Round should be based only on these issues – but he thought it was clear that without progress in the toughest areas first, progress on other issues would be limited, if any. For this reason, he was planning to intensify his own work in these areas, working closely with these three Chairs – and with the others as well. He would begin to consider what kind of approaches on these three core issues might be possible. He thought this needed to be done in a way that respected the levels of ambition inherent in the draft modalities texts under discussion in 2008, but equally in a way that respected the flexibility sought by many and which had been also somewhat reflected in those texts. He said that with some creative thinking – and openness to testing new possible solutions – the circle might be squared.

1.8. He said that Members had set themselves a big challenge. It was like trying to get an automobile that had been stuck in the mud, at the bottom of a very deep lake for six years, up and running and back on the road. He said that it was not possible to jump in and drive it away. It would take a lot of work – a lot of cleaning, a lot of oiling – but it could be done. This phase of work would be tougher. Therefore, he urged Members to be ready to increase their engagement, and maintain the positive, constructive tone that had been seen so far. This was the moment to shift up a gear. Time was passing quickly. Members were already in the second quarter of the year. The December deadline was not so far away. But he was sure that, as long as there was engagement, the task was achievable.

1.9. The Trade Negotiations Committee took note of the Chairman's statement.

2 REPORTS BY CHAIRPERSONS OF BODIES ESTABLISHED BY THE TNC

2.1. The <u>Chairman</u> recalled that since the meeting of the General Council in March, four negotiating groups had appointed new Chairs. Also, since then, the Chairs had continued to provide Members with opportunities to express their views on the DDA work programme.

2.2. As Director-General, he also said to those Members that had raised the question of how to deal with TRIPS implementation issues, that this was something he was continuing to give thought to in the context of the overall work.

2.3. Ambassador John Adank (New Zealand), <u>Chairman of the Special Session of the Committee</u> <u>on Agriculture</u>, reported that since the previous General Council meeting, he had continued to hold consultations in various configurations, including an open-ended informal meeting of the Special Session of the Committee on Agriculture (CoA SS) on 28 March 2014. In preparation for that meeting and for the purposes of ongoing consultations, he had circulated a number of questions for Members to consider. Those were:

- What did Members consider to be the desirable and doable aims for ongoing discussions and negotiations in relation to the three inter-related pillars of agriculture?
- What contributions did Members consider they, and other Members, needed to make to this end?
- What new information did Members wish to bring forward, or would encourage others to bring forward, to update earlier discussions about policy settings and developments that might be relevant to the negotiations?

2.4. At the meeting on 28 March, he had reported that his consultations had not so far provided clear answers to those questions, although the Members with whom he had spoken all recognised the increasingly urgent need to get down to dealing seriously with the fundamental issues they represented. The discussion at that meeting had not materially changed the evaluation. Overall, Members' contributions on the way forward in the agriculture negotiations – and the responses that had been forthcoming at this stage to his questions – had remained at a rather high degree of generality. In concluding the meeting, he had noted that the discussion had at least signalled a beginning of re-engagement after some years.

TN/C/M/34

- 4 -

2.5. Concerning the issue of the status of the draft Rev.4 modalities texts in agriculture, he had noted that there were a range of nuances among Members on this issue. He did not think anyone could deny that past discussions had evolved to a certain point, but without any overall convergence, as reflected in Rev.4 and the Chair's accompanying explanations. Some Members had emphasised how important they considered the Rev.4 text. Others had put emphasis on exploring alternative approaches. As he had said, the key priority at this stage was to know more about the nature of the concerns that stood in the way of consensus on various issues in order to determine how and whether they could be resolved.

2.6. On the issue of information, Members noted that there had been a range of developments in recent years that affected the context for the discussions and that more information about these developments – whether they related to tariff or domestic support policy or other elements – could assist more focused engagement.

2.7. He had also signalled his intention to hold the first dedicated session on Cotton, in line with the Bali Cotton Decision, in June, back-to-back with the meeting of the Consultative Framework Mechanism on Cotton. In this regard, he intended to consult with the cotton Quad and other interested Members shortly.

2.8. Overall, in his view, Members needed to be moving into the less comfortable, but hopefully more productive, zone of testing each other's – and their own – capacity to contribute to results in line with the principles set out by the TNC Chairman at the February TNC meeting. This was also the aim that he planned to pursue in his continuing consultations. These would require discussions in a range of formats to determine where consensus might be found. Members needed to deepen the engagement on substance. Therefore, he asked Members to be prepared to come to further informal consultations with responses to his questions in relation to all the three pillars – market access, domestic support and export competition. He would also ask what engagement with other Members they were pursuing in support of their positions and views. He would continue to work in full respect of transparency and inclusiveness. He would schedule a further informal meeting of the Special Session at an appropriate time to report, and remained available to any delegation that wished to contact him in the meantime.

2.9. Ambassador Remigi Winzap (Switzerland), <u>Chairman of the Negotiating Group on Market Access</u>, said that since his report of 14 March to the Members on the work of the Negotiating Group, he had continued his consultations with individual Members. He had also held an informal open-ended meeting on 31 March 2014. The meeting had allowed Members, with whom he had not had the chance to meet, to express their ideas on how to proceed on NAMA in view of the post-Bali work programme. At that meeting, he had asked Members to start thinking about where possibly they would like to go with NAMA and how. In his view, Members should move – as of the present TNC – from a kind of "inventory phase" – which, in his view, was completed – to a phase which should allow them to answer the question "how and under what circumstances Members could contribute to a meaningful NAMA result". He had encouraged Members to look ahead with an open mind and listen to others. He said that should a delegation restate its old positions, then it should also explain to the Membership – and he quoted the TNC Chairman – "why this should work, now; what had changed since 2008 which would make something which did not work in 2008 work today."

2.10. A positive result from the open-ended meeting of 31 March 2014 was the good engagement. Twenty-six Members had taken the floor. Members had confirmed the view that all three market access areas (agriculture, NAMA, services) were interconnected, had to be treated in parallel and that there was a strong link between NAMA and what was happening in the agriculture negotiations. He had heard many Members restate the importance of the parameters defined by the TNC Chairman on the centrality of development, transparency and inclusiveness as well as creativity and doability. He had also heard that Members should go into higher gear in updating their schedules to HS 2007. Several Members had asked to have a compilation of basic, recent tariff and trade data. As delegations had not objected, he had asked the Secretariat to prepare this information and to circulate it to the Membership for their consideration. Furthermore, some Members had stated their interest to address non-tariff barriers (NTBs).

2.11. Looking ahead, he had emphasized in his open-ended meeting that there was more than technical work to be done. At this stage, discussions between Members were key. He urged all Members to get together, in all possible configurations, to discuss between them openly and

frankly, without a priori and leaving entrenched positions behind them. On the way forward, he intended to build on what he had heard since February and on what he would hear at the present meeting. This might include another round of individual and possible group consultations after this TNC meeting.

2.12. Ambassador Gabriel Duque (Colombia), <u>Chairman of the Special Session of the Council for Trade in Services</u>, said that since being entrusted with the chairmanship, he had followed up on the work of his predecessor and undertaken informal consultations with Members on the services component of the post-Bali work programme. In addition, a formal meeting of the Special Session of the Council for Trade in Services (CTS SS) had been held on 1 April to facilitate a broad exchange of views on this matter. Overall, views most recently expressed by delegations were consistent with the report of the CTS SS Chairman of 21 March 2014 (TN/S/38). In view of his own consultations and the recent formal meeting, he highlighted the following key points.

2.13. He sensed readiness to engage on services in the context of the work programme. There was a common view that the three market access pillars should be addressed in parallel, that Members should concentrate on what was doable, and that the underlying process had to be transparent and inclusive. Many delegations had said that the development dimension should be fully reflected in any services outcome. It was generally felt that the level of ambition in services would have to be commensurate with those in agriculture and NAMA. Balance was also needed within the services agenda itself. Many had insisted that such a balance should also include the rule-making side of the services negotiations. Reference had often been made to the need to learn from the past DDA experience. A number of delegations had felt it was important to avoid the sequencing of the DDA negotiations, which in their view had placed the services pillar at a disadvantage, while others emphasized the centrality of the agriculture negotiations.

2.14. With respect to the plurilateral negotiations on services taking place outside the WTO, different views had been expressed. Most saw them as a parallel process. Some had taken the view, however, that negative externalities should be avoided. Some considered that possible synergies should be further explored. And, finally, a few delegations thought that such initiatives could undermine the multilateral process.

2.15. The importance of operationalizing the least-developed countries (LDC) services waiver had also been stressed. The general view had been that the implementation of Bali outcomes should take utmost priority. It had been noted that the regular session of the Services Council had been mandated by Ministers to address this matter.

2.16. In terms of getting to the key future step of having revised services offers, few delegations had offered specific ideas at this juncture, although many had stressed the need for openness to new approaches. Initial suggestions put forward had included: first, taking inspiration from regional trade agreements (RTAs) on services, where many Members had gone well beyond the General Agreement on Trade in Services (GATS) in binding existing levels of access; and second, focusing on groups of sectors, such as those linked to the digital economy, e-commerce, supply chains, trade facilitation, or developing country interests. This type of approach had received general support from some delegations, while others had had concerns with any cherry picking. The views expressed on what should be done before submission of revised offers had been preliminary. While acknowledging that services negotiations did not take place in a vacuum, he had urged Members to purse their reflection and to come forward with more precise proposals so as to facilitate discussions on the services component of the work programme. For his part, he would pursue consultations in different formats, including, in possible *frijolada* meetings, in homage to the very successful *enchilada* format used by his predecessor, Ambassador Fernando de Mateo.

2.17. Ambassador Harald Neple (Norway), <u>Chairman of the Special Session of the Committee on Trade and Development</u>, said that since his assumption of the chairmanship of the Special Session of the Committee on Trade and Development (CTD SS) on 25 March, he had met a total of 17 delegations, including representatives of proponent groups. He had also held an informal openended meeting on 3 April. At that meeting, he had provided broadly the same report that he would make at the present meeting. In all these meetings, he had conveyed the message that there would need to be a credible outcome from the CTD SS process and that it should also be kept in mind that the universe of development in the DDA was much broader than the work of the CTD SS. Development issues would also be addressed in other negotiating areas such as

agriculture, NAMA and services. This did not, however, reduce the importance of the work in the CTD SS. He had asked Members two specific questions: to hear how they saw the work of the CTD SS going forward, and how they viewed the relationship between the CTD SS and the Monitoring Mechanism.

2.18. As to the first question, his consultations had confirmed Ambassador Kwok Fook Seng's impression, as reflected in his report to the General Council (TN/CTD/28), that all Members seemed willing to continue the work of the CTD SS, with an open mind and without rigid views on how this should take shape. The proponents had informed him that they were undertaking an overall assessment of all of the Agreement-specific proposals with a view to identifying how these should be taken forward. It was also his understanding that for them, the core mandate going forward remained paragraph 44 of the Doha Ministerial Declaration. The view from the middle grounders was one of willingness to do what was needed to ensure success in the process. Other Members had stressed the need for pragmatism in the work of the CTD SS. While waiting for the views of the proponents, they nonetheless cautioned about reverting to the circuitous discussions that had, thus far, characterized the work of the CTD SS. Almost all delegations had stressed that any process in the Special Session be proponent-led.

2.19. In all, he had sensed openness and pragmatism. From the side of the proponents, this was manifest in their willingness to relook at all proposals, with a view to identifying those which should form the basis of work going forward. On the other side, there was a willingness to wait out the results of this work, with a preference to avoid going back to past ways of working that were viewed as having been unsuccessful. He had recommended to the Committee to give the proponents some time to do their work. In the same vein, he had encouraged the proponents to do all they could to ensure that Members got their feedback as soon as possible to feed the results into the work programme.

2.20. As to the second question on the relationship between the CTD SS and the Monitoring Mechanism, there was a shared understanding that this fell within the ambit of the regular session of the Committee on Trade and Development (CTD). Some Members held the view that the Monitoring Mechanism presented the opportunity for evidence-based discussions, the absence of which, in their view, had made it difficult to gain traction on the Agreement-specific proposals in the CTD SS. The overall understanding seemed to be that the CTD SS should structure its work going forward with the objective of bringing to closure the work on the Agreement-specific proposals.

2.21. In terms of next steps, while waiting to hear the outcome of the proponents' work, he would continue his consultations and remained available for consultations with individual Members. He would call open-ended meetings as and when needed.

2.22. Ambassador Dacio Castillo (Honduras), <u>Chairman of the Special Session of the Council for TRIPS</u>, said that, responding to the Chairman's call for negotiating group Chairs to start a dialogue with Members in the post-Bali environment, his predecessor, Ambassador Alfredo Suescum, had held consultations with interested Members on 10 and 11 March, and an informal open-ended meeting on 1 April, on how to take forward the work of the TRIPS Special Session, and on how to reflect the process in a post-Bali work programme on the remaining DDA issues. He recalled that Ambassador Suescum had issued his report on these consultations which had been circulated to Members as document TN/IP/22. He quoted the following paragraphs from that report:

"From these consultations, it seems that there have not been substantive changes in Members' negotiating positions in this group, as they are documented in the previous Chair report TN/IP/21 and reflected in the Draft Composite Text that was circulated to Members as an Annex to that document.

Notwithstanding my emphasis on the mandate of the TRIPS Special Session, most of the Members that participated in these consultations concentrated on linkages between the work of the Special Session, and TRIPS implementation issues – the relationship between the TRIPS Agreement and the UN Convention on Biological Diversity (TRIPS/CBD) and the extension of the protection of geographical indications (GIs) – outside the purview of this group, as well as with the wider post-Bali process. Most of the Members participating indicated that, as a condition for work on the

TN/C/M/34

multilateral GI Register in the TRIPS Special Session, they would like to see parallelism with work on these other processes and issues. Other Members rejected linkages between these processes and issues, and would need assurances that the mandate of the TRIPS Special Session would be respected before agreeing to restart work in this negotiating group. The negotiations were described as complex and difficult by both sides of the debate, even within the mandate of the TRIPS Special Session, and most Members taking part in the consultations seemed hesitant to engage actively in negotiations until the overall scope and balance of the post-Bali work programme becomes clearer.

It is my impression that, under current circumstances, Members are not ready to take forward substantive work on the GI Register as a priority. Finding a solution to Members' very different concerns with respect to the negotiating mandate and linkages to other WTO work continues to appear central to permitting substantive work in the TRIPS Special Session to resume."

2.23. He recorded his appreciation for the work of his predecessor, Ambassador Suescum, and for his clear assessment. Having assumed the chairmanship of the TRIPS Special Session at the beginning of the month, he said that he was committed to working with Members towards finding solutions to the current concerns voiced in the consultations. In view of the ambitious timeline to establish a work programme for the remaining Doha issues, he was looking forward to exploring with Members all possible avenues on how to achieve an outcome under the mandate of the TRIPS Special Session – and in the context of the post-Bali work programme – that was acceptable to all.

2.24. Ambassador Wiboonlasana Ruamraksa (Thailand), <u>Chairperson of the Special Session of the Committee on Trade and Environment</u>, said that less than a month earlier, she had been given the task of chairing the negotiations on trade and environment and had been appointed at a formal meeting of the Special Session of the Committee on Trade and Environment (CTE SS). She thanked all delegations for the confidence they had placed in her and looked forward to working with all of them to help fulfil the objectives set for these negotiations. The previous week, she had held an informal open-ended meeting of the CTE SS. At that meeting, she had explained her intention to follow-up on the good work done by her predecessor and to initiate a fully transparent and inclusive process of informal consultations to explore ways to take forward the environmental chapter of the negotiations. Delegations had been fully supportive of the process and had reiterated the importance they attached to the environment negotiations as part of the overall Doha mandate, recognizing that many of them were currently engaged in the early stages of their own internal consultations on post-Bali work.

2.25. Regarding the specific parts of the mandate, she had detected interest in what several delegations had referred to as an "informative step" that would help refresh Members' memory and clarify where they stood with respect to the mandate on the relationship between Multilateral Environmental Agreements (MEAs) and the WTO. On environmental goods, some delegations had expressed a degree of willingness to engage in discussions that would help identify possible elements of interest to proceed with the mandate on environmental goods. She trusted that delegations would take full advantage of the upcoming consultations to come forward with more concrete ideas on all parts of the Doha environment mandate.

2.26. Ambassador Wayne McCook (Jamaica), <u>Chairman of the Negotiating Group on Rules</u>, said that following the 14 March 2014 meeting of the General Council, he had circulated to Members a written report describing in some detail his consultations with individual delegations, and with groups of delegations, regarding how they saw Rules issues fitting into the overall post-Bali context, with focus on the work programme to be considered for the completion of the DDA (TN/RL/W/255). In that report, he had indicated that he would make himself available for additional consultations around the time of the Rules Committee meetings in late April when greater capital-based involvement would be possible.

2.27. He did not wish to add to the circulated report, other than to confirm that he would be available for any further consultations desired by delegations during the week of 28 April, and in particular in the afternoons of Wednesday 30 April and Friday 2 May. He intended to convene an open-ended informal meeting of the Negotiating Group on Rules following these April consultations. He was hopeful that these further consultations would give greater focus and clarity to Members' views on the way forward.

2.28. In the absence of Ambassador Ronald Saborío Soto (Costa Rica), <u>Chairman of the Special</u> <u>Session of the Dispute Settlement Body</u>, the Chairman read out his report.

"In the Dispute Settlement Understanding (DSU) negotiations, as recently reported to the General Council, work has continued on the basis of the "horizontal process" launched in June last year. In this phase, work has been based primarily on efforts driven by participants, with the goal of building convergence around approaches that would have the broadest possible base of support, in all areas.

Meetings have been held approximately every six weeks (most recently on 1 April) to take stock of ongoing work and progress. In some areas (remand, post-retaliation, third party rights, strictly confidential information), elements have been presented as possible bases for solutions. Similar work is ongoing in other areas.

The next set of meetings is expected to take place early May. It is hoped that by then, possible elements of solution could be identified in a number of further areas where significant outstanding issues remain. Recent progress and ongoing efforts show a good level of engagement of participants in this work. Further progress now requires willingness to be flexible across-the-board, to develop achievable outcomes reflecting the interests of all participants."

2.29. The Trade Negotiations Committee took note of the reports by the Chairpersons of the bodies established by it.

3 STATEMENTS BY PARTICIPANTS

3.1. The representative of <u>Myanmar</u>, <u>on behalf of the Association of Southeast Asian Nations</u> (<u>ASEAN</u>), said that the Group highly appreciated the concerted efforts made by the Chairman and all negotiating group Chairs for paving the way forward to transform the Bali decisions into reality for the benefits of all stakeholders. The Bali Ministerial had brought back credibility to the multilateral trading system, and it was time to reinforce Members' collective efforts in the implementation process of those political decisions made by Ministers. In that regard, ASEAN pledged its strong support for the expeditious implementation of the Bali outcomes, in particular each of the agreed timelines for agriculture, the Trade Facilitation Agreement (TFA) and the LDC-related decisions. A successful implementation of the Bali Decisions would show the international community that the WTO was back in business and that Members' commitment to the multilateral trading system remained strong.

3.2. ASEAN was also committed to the formulation of a work programme for the outstanding DDA issues. This was a process and a conversation that would take some time as there were no easy answers. Leadership by the majors was essential, but so was the engagement with and by the rest of the Members who deeply desired an outcome. Rather than re-stating well-known positions and engaging in theoretical or ideological debates, ASEAN urged Members to seriously examine what each of them could contribute. The Group called on Members to continue working in the pragmatic and positive spirit of Bali to identify what was doable and meaningful in today's context. While it might not be possible to repeat the Bali approach, Bali had shown that convergence amongst Members was possible if all operated in good faith and focused on meaningful deliverables.

3.3. The representative of <u>Uganda</u>, <u>on behalf of the LDC Group</u>, said that their goal had remained the same since and before Doha, that is, the Group sought the emancipation and consequent graduation of the LDCs from that status. The statistics available so far gave little hope regarding the structural transformation and trade performance of LDCs. The recent presentation by the WTO Secretariat during the meeting of the Sub-Committee on LDCs, held on 4 April 2014, on LDC trade performance had been very humbling. Despite the increase in the share of LDCs in world trade in goods and services to 1.14% and 1.16% respectively, their trade had been in deficit at \$18 billion in 2012 and their participation in world exports of commercial services had remained marginal, at 0.6%. On the whole, LDCs were still unable to penetrate the higher segments of services trade. Members had fallen short of meeting the aspirations of those who had crafted the Doha Declaration with a delicate but deliberate precision on development as a central outcome. He noted that meeting the development aspirations of LDCs could only be made possible with the efforts of all WTO Members. Inevitably, the work going forward had real and practical implications

on the plight of LDCs who continued to be poor, vulnerable and faced marginalisation in this System.

3.4. Regarding the work programme, he said that the LDCs were currently undertaking internal consultations within the Group and with respective capitals. Therefore, these were preliminary views. He said that priority should be given to those issues in the Bali Package where legally binding outcomes could not be achieved, as mandated in paragraph 1.11 of the Bali Declaration. The Group considered all LDC-specific outcomes to fall within this cluster. LDCs called upon Members to implement all the Bali outcome decisions with the same vigour they had attached to the TFA. This would go a long way in demonstrating to the sceptics that contrary to their strong beliefs, in the WTO, deals could be struck to benefit developed, developing and least-developed Members. It would also go a long way in maintaining the current momentum.

3.5. On the services waiver for LDCs, the Group called upon Members to operationalize it. Members should not restrain themselves from taking voluntary and proactive steps in implementing the Decision by extending preferences to LDCs' services and service suppliers that had commercial value and promoted economic benefits to LDCs. Further, in line with the Hong Kong Ministerial Declaration, Members should fully and effectively implement the modalities for the special treatment of LDCs in the services negotiations with a view to assisting them derive meaningful benefits from trade in services. Therefore, all issues of specific concern and interest to LDCs should be taken into account.

3.6. On agriculture, the best approach would be to focus on finding solutions to issues that had been the major stumbling blocks to moving forward the negotiations. LDC issues had not been among those that had caused the impasse. The draft Rev.4 modalities text of December 2008 should be the basis of negotiations. LDCs expected Members to live up to commitments already undertaken in their favour as contained in the modalities text. Further, the negotiations in agriculture should not and could not be delinked from negotiations on domestic support disciplines of developed countries, especially those that caused market distortions. It was worth mentioning that export competition had also been highlighted as a key priority of the agriculture negotiations, in the context of the continuation of the ongoing reform process set out in Article 20 of the Agreement on Agriculture and in line with the Hong Kong Ministerial Declaration.

3.7. The level of ambition in NAMA was intricately linked to progress in other pillars, particularly agriculture. LDCs were interested in any further discussion with a view to ensuring that the integrity of the draft Rev.3/Add.1 modalities text was preserved and formed a basis for future work. Further, LDCs were looking for commercially meaningful market access, the reality of which would be manifested by commitments that went beyond mere tariff cuts. LDCs considered that a credible outcome on NTBs and related initiatives, particularly rules of origin, would be vital in ensuring that market access accorded to the LDCs was meaningful.

3.8. On special and differential (S&D) treatment, LDCs believed that work should proceed along the lines of the mandate enshrined in paragraph 44 of the Doha Ministerial Declaration. They looked forward to continuing work towards reviewing S&D provisions with the view to strengthening them and making them precise, effective and operational. While welcoming the Bali Ministerial Decision on the establishment of a Monitoring Mechanism on S&D, the LDCs cautioned that care should be taken to distinguish between the mandates of the Monitoring Mechanism and the CTD SS.

3.9. With regard to the TFA, Members continued to work on the basis of the Bali Ministerial mandate on the TFA. LDCs wished to flag that funding for the TFA was not clear, as it had been demonstrated in the past. Their worry was that upon entry into force of the Agreement, donor Members would cherry-pick countries to benefit from their assistance and support for capacity building. He suggested that the Chairman, as a confidence-building measure, create time within this forum or any other format, for a dedicated discussion on this matter as soon as possible.

3.10. As indicated in the LDC Group's statement in the General Council of 14 March 2014, it was critical that in developing the work programme, the focus had to be on the conclusion of the DDA without introducing any new issues. There had to be balance in the post-Bali negotiations. Paragraph 47 of the Doha Ministerial Declaration and the principle of the single undertaking should be preserved. Development should be the central pillar of negotiations. LDCs urged the Chairman

to develop a clear and precise timetable on the work programme. While it would be important to have parallel approaches in the negotiations in NAMA, agriculture and services, the scheduling of meetings should take into account the needs of small and less resourced missions with a view to ensuring their full participation. As work proceeded, the Group invited Members to pause and reflect on what could be done differently to change the current narrative on the plight of LDCs.

3.11. The representative of <u>Australia</u>, <u>on behalf of Cairns Group</u>, said that the Group was prepared to work constructively with others to ensure that there was an ambitious outcome on agriculture across all three pillars of the agriculture negotiations and as part of the development of a broader work programme by the end of this year as instructed by Ministers in Bali. The Cairns Group requested that its statement to the CoA SS of 28 March 2014 be reflected in the minutes of this meeting.¹

3.12. <u>Speaking on behalf of Australia</u>, he said that his delegation looked forward to working with the Chairs of the negotiating groups and with the Chairman to try and make sure that good progress was made in the next stage of discussions. Members were now four months into the twelve months that Ministers had given them to develop a work programme. If they were to achieve results, they needed to begin moving beyond broad expressions of principles and identifying in more concrete terms what was doable and what was not.

3.13. Australia agreed with ASEAN that success would require leadership by the largest WTO Members. But, it would also require leadership and a fair contribution by all Members. At the heart of Members' efforts was a desire to ensure that the negotiating leg of the WTO delivered results which would contribute to higher levels of economic growth and more jobs. It was such an important endeavour that Members needed to move forward as quickly and as seriously as they could. Australia pledged its support to the Chairman and to the Chairs of the negotiating groups to try and move beyond the rhetoric and into something much more concrete over the coming few months.

3.14. The representative of <u>Kenya</u>, <u>on behalf of the ACP Group</u>, recalled that at the 14 March General Council meeting, the Group had noted that, during the informal TNC meeting held on 6 February 2014, Members had committed themselves to start implementing the Bali ministerial decisions and had followed the Chairman's direction regarding the parameters to be applied in guiding the negotiating group Chairs in engaging with Members on the formulation of the post-Bali work programme. The Chairman's list of parameters had started with development at the core. Regarding market access, the Chairman had indicated that Members could not ignore the interconnectedness of the three market access areas – agriculture, industrial goods and services – and the envisaged possibility of ending up with trade-offs. The Chairman had also rightly noted that everyone had to see themselves in the issues on the table. The ACP commended the Chairs of the negotiating groups on their informal consultations and the recently-held informal open-ended meetings. These discussions had shed light on where some of the key partners stood.

3.15. The Group had placed on record at the General Council their view of the progress of work in fulfilment of the mandate to define a post-Bali work programme by the end of this year. The ACP Group had demonstrated its commitment to a successful outcome in Bali so that Members could breathe new energy into finding solutions to conclude the DDA. Equally, in defining a post-Bali work programme, the Group was proceeding with its own internal work plan to explore areas of priority that should be key inputs into defining the post-Bali work programme. Together, Members had to redouble efforts to pick up the outstanding areas central to the DDA, first and foremost in the development pillar, which had not been fully addressed in Bali, in particular the S&D proposals.

3.16. At the same time, the ACP recognized that, to commence work within their Group, they had to explore how to best articulate their positions in today's reality, while at the same time reaching an understanding of what the proponents in a number of areas intended to put forward in the work programme that would help reach convergence. The Group had heard in the open-ended meetings of the NAMA and agriculture negotiating groups that many of their partners had not changed their perception of the necessary recipe for their landing zones to conclude the Round. They had said that, in the present reality, the data showed that a few other players – who were not necessarily members of the ACP Group – had to engage at the table.

¹ The statement is included in Annex I.

3.17. The Group's positions were very well known. The ACP maintained that in those areas the Group had not been the cause of the impasse. They had consistently taken the position that, once negotiations were re-launched, their core gains in the NAMA Rev.3 and agriculture Rev.4 modalities texts, together with the advancements in negotiations recorded in the Chairs' 2011 reports, should be preserved as a starting point. The Group hoped that their partners could help them understand how they would show leadership as the main proponents in the negotiations, and how they proposed to move forward on defining a work programme. The Group was considering where gaps needed to be filled in the data and analysis of the situation of Members today, so as to be able to engage constructively in the discussions.

3.18. Notwithstanding the suggestion in the Bali Declaration on areas central to concluding the Round, Ministers had recognized that development, agriculture and LDC issues constituted a priority for the commitment to define a work programme. Proceeding from the Bali Declaration, the ACP Group was interested in knowing what areas were considered as not having become legally binding in Bali and should be prioritized, as Members defined the work programme. There were also areas referred to in the Declaration as "not fully addressed in Bali" that would resume in the relevant negotiating groups and committees. In that light, the Group saw S&D proposals under the mandate of the CTD SS as key.

3.19. The ACP Group represented a large number of Members in the WTO, which were developing countries, LDCs and small vulnerable economies (SVEs). It, therefore, expected that, in charting a path to the conclusion of the DDA, a commitment from their partners to improve capacity building and technical assistance to enable them to implement the results of the DDA should be at the forefront in defining a work programme. At the General Council meeting on 14 March, the Group had also called upon the Chairman to help Members begin to see light at the end of the tunnel on the road to December 2014. The ACP wished to see a schedule of meetings and the Chairman's ideas on how to move forward towards defining the work programme. The ACP Group would continue its endeavours to contribute in every possible way to the work of facilitating the elaboration of a practicable and balanced work programme.

3.20. The representative of <u>Burkina Faso</u>, <u>on behalf of Cotton 4 (C-4)</u>, supported the statement made by Uganda on behalf of the LDC Group, Kenya on behalf of the ACP, and Lesotho on behalf of the African Group. He recalled that at the 28 March meeting of the CoA SS, the C-4 had shared its vision on the implementation of the Bali Declaration and the post-Bali work programme on cotton. It had stressed that the Bali Decision on Cotton had mandated Members to start from the Decision adopted by the General Council on 1 August 2004, the 2005 Hong Kong Ministerial Decision and the revised draft modalities text in document TN/AG/W/4/Rev.4 of 6 December 2008, as a reference point for future work. In other words, cotton should be a priority in the post-Bali work programme. Therefore, the C-4 considered that the conclusion of negotiations on cotton fundamentally depended on the commitment and the determination of all Members in making rapid progress on the trade aspect of this issue. As underlined by several Members, including the C-4, on several occasions and at the meeting of 28 March, further discussions had to be based on the progress made thus far in the agriculture negotiations, notably with regard to cotton, including the revised draft Rev.4 modalities text of 6 December 2008. Members had to start from somewhere to negotiate and not reject everything in block.

3.21. The Bali Ministerial Decision on Cotton had also mandated, in the context of transparency and monitoring in relation to the trade-related aspect of cotton, that Members hold a dedicated discussion on a biannual basis in the context of the CoA SS to examine relevant trade-related developments across the three pillars of market access, domestic support and export competition. Undoubtedly, the existing mechanisms, such as the Quad and other formats that Members considered appropriate, remained crucial to facilitate work on the cotton issue. Therefore, there was a framework that would enable Members to find solutions on the three pillars in relation to cotton and also to identify any option enabling progress in negotiations in a constructive spirit. For the C-4, it was also appropriate that there be a transparent discussion on relevant and up-to-date data and information concerning the policies of the main cotton producing Members. The C-4 remained open to discussions. It remained available and constructively engaged, and would spare no effort, both at technical and political level, for the implementation of the Bali Ministerial Decision on Cotton.

3.22. The representative of <u>Brazil</u>, <u>on behalf of the G-20</u>, said that the Group was of the view that the work programme should address the core elements of the DDA agricultural negotiations,

across the three pillars of agriculture, which included market access, domestic support and export subsidies, and that draft Rev.4 modalities text should be the basis for the negotiations. The Group emphasized that agriculture remained the key determinant of the level of ambition of the results of the DDA negotiations and the benchmark for the landing zones Members would arrive at. The G-20 requested that its statement to the CoA SS of 28 March 2014 be reflected in the minutes of this meeting.²

3.23. <u>Speaking on behalf of Brazil</u>, he said that, although strictly speaking this did not fall under the TNC's responsibilities, Brazil was committed to the full implementation of the Bali Package. His delegation was actively engaged in the work of the Preparatory Committee on Trade Facilitation, and would be equally engaged in the implementation process of the decisions and declarations reached on agriculture and development.

3.24. Regarding the post-Bali work programme, Brazil had been pleased to take part in the consultations that had been conducted over the previous weeks. It had held useful meetings with the Chairs of the negotiating bodies, and had exchanged views with a number of other delegations in Geneva. The open-ended sessions organized by the Chairs had been a valuable, additional element in this exercise. There was still some distance to be covered before beginning to actually design a work programme as mandated in Bali. Therefore, it was only natural that the present focus be placed on fundamental guidelines, rather than on more detailed indications. In this context, Brazil was of the view that the basic assumption underlined by his delegation at the Ninth Ministerial Conference (MC9) remained valid: Members should not attempt to repeat the approach adopted for Bali. They had to commit themselves to dealing with the core issues of the Round: agriculture, NAMA and services. In other words, there were notions that might apply on the Moon, but not in Geneva. "One small step for trade, one giant leap for the WTO" would not work.

3.25. If Members truly wanted a result that was meaningful for the Organization and for the multilateral trading system, this result had to have a concrete and meaningful impact on the reality of international trade relations. If they really wanted a result that was capable of producing relevant effects on international trade, Members had to be able to achieve an important and concrete result in agriculture. The chronic incapacity to deal head-on with the immense trade distortions in agriculture lay at the core of the WTO's deficit of credibility regarding its ability to address the challenges of development, as well as the needs and demands of developing Members. If Members were still dealing with unresolved problems of the 20th century, it was because they had been unable to right the wrongs in agriculture over the past decades. Those now wishing to fast-forward into so-called "21st century issues" should bear this in mind. There was no doubt that Members had to deal with the present and future challenges, but it was imperative that they solved the main pending issue of the past. A multilateral trading system that needed to be both strong and fair could no longer coexist with that unfortunate and undeniable reality.

3.26. Therefore, agriculture and development had to be the centre of the work programme that Members were preparing to design and the basis of the negotiations they were committed to engaging in. He invited Members not to go back into drawing false lessons from past experience. The fact that such a result had not been achieved before did not mean that Members would not be capable of doing so this time. That was the argument of complacency or contentment, whose articulators preferred to call realism. On the contrary, realism meant that Members had to face reality, not try to avoid it.

3.27. For Brazil the reality was: first, that there would be no relevant multilateral negotiations without relevant results in agriculture, including market access, export competition and domestic support; second, that the level of ambition in the other core areas would, in no way, be set above or beyond the ambition achieved in agriculture. This would not happen again. Working on that basis – as his Minister had said in Bali and his delegation had repeatedly been saying in Geneva – Brazil was ready to discuss in an open-minded and frank manner issues of agriculture, NAMA and services. It also remained open to examining other themes that might be proposed, on condition that they effectively contributed to the advancement of the multilateral trading system and that their consideration aimed to preserve the balance of interests in the negotiations, as well as to respond to the challenges of development. In that spirit, Brazil remained actively and constructively engaged as Members worked towards the completion of the tasks delegated by Ministers.

² The statement is included in Annex II.

TN/C/M/34

3.28. The representative of Lesotho, on behalf of the African Group, aligned his statement to that of Uganda for the LDCs and Kenya for the ACP. He said that similar to most Members, the African Group was undergoing a review of the 2008 draft modalities texts DDA negotiating texts in preparation for the substance-based negotiations on the DDA work programme. The past two weeks of exchanges had given an insight into the enormity of the task before Members. There was a lot to do. What they had heard from the Chairs' reports confirmed the substance of Members' deliberations over the past two weeks. The common thread in these reports was a clear disagreement amongst Members on whether the 2008 modalities texts should continue being the basis for negotiations.

3.29. For the African Group, the only port of entry into the resumed DDA negotiations were the Rev.3 and Rev.4 draft modalities texts for NAMA and agriculture, respectively. The alternatives presented so far had failed to convince the Group that the departure from the draft Rev.3 and Rev.4 modalities texts translated into reneging on the Doha mandate itself. For the African Group, the deliberations on the legitimacy of the draft modalities texts could not be mutually exclusive from the notion of the legitimacy of the Doha mandate. On this basis, the African Group continued to rebut attempts to throw away thousands of hours and resources invested in constructing the draft modalities texts.

3.30. A secondary view that the draft Rev.4 modalities text should be preserved, with a view to having them bear a limited function of serving the negotiations as a reference point, conjured up a further rebuttal. In this context, failure to convince the African Group of the fate of the architecture of the modalities had denied the Group clarity on what would be the precise function of the referential value of the draft modalities texts. At the moment, the destiny of the flexibilities in these texts, particularly the inherent recognition of the economic and developmental circumstances of developing countries and LDCs, remained uncertain. Some of the Bali decisions had been based of the draft modalities texts, such as the draft Rev.4 agriculture modalities. In this regard, the African Group had yet to understand what fate belied such decisions in the event that Rev.4 modalities texts disappeared. He reiterated that for the African Group, the current DDA negotiating texts were the only port of entry into the post-Bali DDA negotiations.

3.31. The African Group was aware of the political question that was overshadowing the context within which Members were working. This question was the same one that had led Members to acknowledge, during the Eighth Ministerial Conference (MC8), that the negotiations were at an impasse. With this question looming on the horizon, the Group was of the view that no amount of tinkering with the draft modalities texts would wish them away. The modalities texts were the manifest translation of the DDA mandate. The impression of the Group was, therefore, that starting negotiations on a clean slate would not make them any easier. There were still more questions than answers. This was probably natural because all Members, including the African Group, were exercising extreme diligence with a view to reviewing the issues on the table. Therefore, it was the hope of the African Group that the conversation would soon mature and Members would collectively find answers to these questions.

3.32. Turning to the perspectives of the African Group on specific technical elements, he said that the Group strongly believed that agriculture should be at the centre of any outcome of the DDA negotiations. Ministers in Bali had directed Members to prioritize non-binding outcomes of MC9, such as cotton and export competition, in the post-Bali work programme. The negotiations on agriculture had to cover all three pillars including the areas identified by the Chair of the CoA SS in his report to Members. This was because any partial treatment of agriculture would greatly impact the level of ambition in other areas of negotiations. The Group was persuaded that engagement in agriculture would predicate the level of ambition in other negotiating areas.

3.33. On NAMA, the African Group referred to the statement it had made during the meeting of the Negotiating Group on Market Access. Services trade continued to be an important part of international trade. The interests of the Group in this pillar of negotiations needed no repetition. The growing importance of trade and environment in international trade and in the DDA negotiations could not be overemphasized. It was therefore important to recognize that initiatives outside the multilateral trading system in these areas bore potential to cut-off African countries from international services trade and trade in environmental goods, particularly if the results did not apply on a most-favoured-nation (MFN) basis. On development issues, the African Group welcomed the fact that Members were rallying behind paragraph 44 of the Doha mandate as the basis for further negotiations under the CTD SS. The Group, as a proponent in this area, had been

working hard to ensure that as Members geared up to define the contours of the DDA work programme, all the elements necessary to move the work forward would be on the table.

3.34. On trade facilitation, Members were en-route to fulfil the Bali Ministerial instructions. Some members of the African Group had begun to consult with their capitals on the implementation of the TFA. However, these efforts would not amount to much in the absence of clarity on the availability and terms of accessibility of resources for the implementation of the TFA. Without this clarity, the assignment of commitments into the three categories would compromise the overall quality of commitments to be made by developing countries. In order to remedy this information deficit, the African Group requested the Director-General to facilitate the creation of a forum that would serve to provide Members with information on assistance to be availed to developing countries in order to implement the TFA and the related terms of access.

3.35. On dispute settlement, the African Group shared the strong view of the majority of developing countries that the WTO dispute settlement system had to have universal accessibility, usage and benefits that accrued to all Members. In this vein, the Group held the strong view that any agenda and, subsequently, the outcome of the DSU review negotiations had to capture the following issues: firstly, adequate timeframes for specific needs of developing countries and LDCs; second, effective compliance with recommendations and rulings of the Dispute Settlement Body (DSB); third, mitigation of the high cost of litigation.

3.36. In closing, he said that the African Group considered it important that development became the linchpin of work, not only in utterance, but also in identifiable and measurable outcomes. The principle of the single undertaking had to be preserved. Without this preservation, the internal and external balance of negotiations would be difficult to strike. Finally, the Group's view was that no new issues should be introduced on the negotiating table during the life span of the DDA.

3.37. The representative of <u>Chinese Taipei</u>, <u>on behalf of the Group of Recently Acceded Members</u> (<u>RAMs</u>), said that her Group's overall sense from the recent consultations in different configurations was that the parameters provided by the Chairman had been an useful guidance for discussions among Members, and the RAMs continued to believe in the value of those parameters. Among them, they wished to underscore the principles of transparency and inclusiveness, as well as the centrality of the development dimension in the post-Bali work programme.

3.38. The engagements since the previous TNC meeting had indicated that Members were highly committed to making progress in the multilateral trading system. In addition, the RAMs had sensed that commonalities were starting to emerge among Members. In particular, they saw an emerging common view underlining the inter-connectivity and balance across the three core issues of the post-Bali work programme, that is, agriculture, NAMA and services - that they should be tackled together, simultaneously. The RAMs Group supported this view.

3.39. As the Chairman had pointed out, 2014 would be a defining year for the WTO. In Bali, Ministers had instructed Members to develop the post-Bali work programme on the remaining DDA issues by the end of the year. That left Members with less than nine months. The clock was ticking, and Members should not deviate from the course that Ministers had set.

3.40. Therefore, Members had to exercise caution against reinventing the wheel across the board. All Members could agree on the need to stay creative and open-minded. At the same time, the RAMs Group saw as sensible an approach to build upon the results and foundations that Members had achieved – sometimes through a lengthy and painstaking process – so that Members could move forward without returning back to square one. It was in this spirit that the RAMs Group continued to believe that the draft modalities text should be the basis for future work on agriculture and NAMA. The Group also wished to stress that the draft modalities represented a stabilized outcome that reflected extensive discussions and negotiations among Members. These were a sensible and valuable basis for all Members to build upon.

3.41. Another important basis for Members to move forward was the fact that members of the RAMs Group had already made extensive commitments during accessions, to the benefit of all Members. Ministers had recognized this fact, and in Hong Kong, Ministers had instructed Members to give due consideration to the special flexibility needs of the RAMs Group.

TN/C/M/34

3.42. The multilateral trading system was the principal forum for promoting global trade. The RAMs Group therefore urged Members to complete the DDA and all its mandates, which included reaching a comprehensive final package. Members should also be flexible at looking at all possible approaches that could help achieve the completion of the Round. Time was of the essence. Members needed to re-double their efforts to deliver on the instructions that Ministers had provided in Bali.

3.43. The representative of <u>Switzerland</u>, <u>on behalf of the G-10</u>, said that the G-10 wished to remind Members of its statement at the CoA SS of 28 March where it had expressed its readiness to engage in discussions on the basis of the six parameters that had been highlighted by the Chairman at the TNC meeting of 6 February.

3.44. With regard to the substance, the G-10 emphasized that the three pillars of agriculture were closely interconnected. The G-10 reaffirmed that negotiations had to cover the three pillars and other issues in a balanced manner. At the end of the day, the outcome of the negotiations in agriculture had to strike a balance between what net importers could do and exporters sought to have. In addition, future outcomes in agriculture had to give room for manoeuver in domestic policy design and take account of the different roles of agriculture in society (the non-trade concerns).

3.45. Further, the G-10 was of the view that only parallel and horizontal discussions on all issues would allow Members to set the appropriate level of ambition for the overall negotiations.

3.46. <u>Speaking on behalf of Switzerland</u>, he said that, so far, his country was pleased with what had been achieved since Bali. All committees were operational, including the Preparatory Committee on Trade Facilitation. With the nomination of Steffen Smidt as Facilitator for LDC issues, this important aspect of implementation had been strengthened. In respect of the work programme – which was part of implementation of the Bali outcome – consultations had taken place on all aspects of the DDA. The Doha Round was being tackled in a comprehensive way and all the three market access pillars were being addressed in parallel.

3.47. What was important now was the timely implementation of all the Bali decisions. This was important for the credibility of the Bali outcome and of the WTO. In accordance with the deadlines fixed in Bali, Members would soon face a first litmus-test on trade facilitation. The deadline of July 2014 decided by Ministers in Bali had to be kept.

3.48. Members now also had to focus more than as in the past on the regular WTO work. First, because in Bali they had decided on work to be undertaken in the Committee on Agriculture, the Committee on Rules of Origin, the Committee on Trade and Development and the Council on Trade in Services. This work had to be started, where it had not yet, and he trusted that the Members with stakes in these issues would take the lead. Second, regular WTO work was important to enable meaningful negotiations: up-to-date notifications in all areas and up-to-date certified goods schedules as well as recent trade data were of crucial importance. All this was in the remit of WTO committees.

3.49. Regarding the establishment of the work programme: the task now was to proceed from the Chairs' inventory to a next phase which led Members to the establishment of a work programme. Members needed to identify how they could get to results which were meaningful, of interest to their stakeholders and doable.

3.50. He had three observations on the discussions of the previous weeks. First, Members were very much tempted to dive back into the trenches that they had dug in their previous negotiations. Switzerland was of the view that Members could not just restart in 2014 where they had left in 2008. But it was also conscious that there had been a lot of debate and work in the past which could not simply be ignored today. Second, Members insisted too often on what they could not do, or – in his view even worse – what others should not ask for. It was better if Members started signalling what each of them could possibly do if conditions were right. Third, at this stage, it seemed normal to him, that Members were signalling what they wanted from others.

3.51. Switzerland was keen on the calibration of the level of ambition across agriculture, NAMA and services taking also into considerations issues such as NTBs in NAMA, domestic regulation in

services, the GI register, GI extension, disclosure of source and TRIPS/CBD as well as paragraphs 31(i) and 31(ii) of the Doha Declaration on Trade and Environment. What treatment any given issue would get in respect of the work programme would, however, depend on the traction any proposal might gather.

3.52. Using some of the Chairman's pre-Bali language, he said that in his view, Members had to figure out broadly where the territory behind the many icebergs lay and what shape it had. Only then, would Members be able to decide on how to pass between the icebergs, with what ships and how to avoid the rough seas. He could also use words of the Roman statesman Seneca, who had said: "If one does not know to which port one is sailing, no wind is favourable."

3.53. Looking ahead, he said that it seemed important to him that Members proceeded with caution and with an open mind. Members had to listen to each other and to engage in discussions amongst themselves, in different configurations. Members should not immediately say no, even if there were ideas that they might like less and they should neither draw conclusions too quickly, nor get lost in theological debates. In closing, he reminded Members that without their willingness to succeed nothing would happen.

3.54. The representative of <u>Indonesia</u>, <u>on behalf of the G-33</u> said that during their meeting in Bali, WTO Ministers had given Members twelve months to agree on how best to tackle the remaining DDA issues. The Group shared the Chairman's view that development and S&D treatment had to be the integral part of work programme and that agriculture would determine the level of ambition. He said that the Bali model should not be replicated.

3.55. The draft Rev.4 modalities text had to be the basis as it had been the result of collective undertaking and reflected an enormous amount of negotiations since the launch of DDA negotiations. He urged Members to re-double their efforts to address outstanding issues. Members that rejected the latest draft Doha text had to come up with a clear alternative.

3.56. Finally, the Group committed to engaging constructively in the discussions to determine what constituted doable in the next negotiations. The Chairman's introductory remarks were useful input for Members on how they should engage to establish the work programme.

3.57. The representative of <u>Dominica</u>, <u>on behalf of the Member States of the Caribbean</u> <u>Community (CARICOM)</u>, said that CARICOM placed the utmost value and priority in the completion of the entire DDA as Ministers had instructed. Therefore, a clear, well-defined post-Bali work programme by the end of the year was a *sine qua non* towards this goal.

3.58. This would be a challenge. Members had been at an impasse for some time and the issues that had brought about this remained to be addressed and resolved. Members would have to find the delicate balance and path towards conclusion, consistent with the agreed negotiating mandates, the MC8 political guidance and the instructions of Ministers in Bali. Members had also taken on board the Chairman's list of parameters which should guide their work. In developing the work programme, Members would have to ask and answer some tough questions and make difficult decisions. On the one hand, Members had noted that they could not repeat Bali; and by that his Group understood this to mean that it would not be feasible to have another early harvest or a staggered approach towards the conclusion of the DDA. On the other hand, Members were to develop the work programme in a way that was consistent with the MC8 guidance, and to focus on what was doable. For CARICOM, the single undertaking remained fundamental.

3.59. After having participated in the various special session consultations, it was worth reiterating that for CARICOM, the development objective of the DDA remained the main objective of this Round.

3.60. As small economies, CARICOM members placed significant value in the current agriculture and NAMA draft modalities texts which contained flexibilities for SVEs which they considered stabilised. Consequently, those modalities should not be reopened, but rather preserved in the negotiations going forward.

3.61. In the services negotiations, he said that CARICOM wished to stress the primacy of the multilateral framework – the GATS principles and Annex C of the Hong Kong Ministerial

Declaration. His Group had listened carefully to the interventions thus far from some Members who were of the view that a two track approach in services was possible – he was referring to a multilateral and plurilateral approach. CARICOM was not convinced of this.

3.62. On development, CARICOM wished to reaffirm the importance it attached to the work of the CTD SS and the need to complete the work on paragraph 44 of the Doha mandate. While his Group welcomed the outcome at Bali on the Monitoring Mechanism it wished to caution that the Monitoring Mechanism was not the only outcome in pursuit of paragraph 44 of the Doha Declaration.

3.63. His Group noted that Rules – fisheries subsidies needed careful navigation. As island economies, they had both offensive and defensive interests in this area. In that regard, his Group hoped that like the other core issues, fisheries subsidies would be given due consideration as well.

3.64. He said that as small delegations, they appreciated the transparent and inclusive nature of the consultations and looked forward to further contributing towards the collective goal.

3.65. Time was not on the side of Members and the summer recess was nearly upon them. His Group hoped that Members would have made sufficient progress before the summer break towards completing the work programme with clear indications on the way ahead for the completion of the DDA. His Group was ready to play its part in finding solutions and bringing Members towards a successful conclusion of the Round. His Group also knew that the heavy lifting would need to come from their partners who had greater power and therefore greater responsibility and would need to show the necessary leadership.

3.66. The CARICOM Group associated itself with the statements by the ACP, G-33 and SVEs.

3.67. The representative of <u>Jordan</u>, <u>on behalf of the Arab Group</u>, said that the level of engagement in the consultations and the negotiations had shown that Members were still strong believers in the multilateral trading system and were working hard in order to show the world that they could still deliver and make progress in the WTO negotiation.

3.68. He said that the importance of full participation, inclusiveness and transparency, should always be respected throughout the process. His Group wished to emphasize that the single undertaking was still relevant as the only principle that could ensure the right balance among the outcomes of the Doha Round, as confirmed by paragraph 47 of the Doha Ministerial Declaration.

3.69. The Arab Group like others fully supported the view that Members' approach should be balanced across and among the three pillars of the negotiations namely agriculture, NAMA and services.

3.70. Members needed to emphasize the importance of respecting and acknowledging the work accomplished since the beginning of the Doha Round 13 years ago. The Arab Group did not support any attempts to add "new issues" to the WTO mandate before concluding the DDA.

3.71. His Group recognized that agriculture held a central role to a successful DDA. It considered that the draft Rev.4 modalities text should be the basis for Members' future work. Any further discussions on it had to be focused on the outstanding issues defined in the CoA SS Chair's report of April 2011.

3.72. His Group wished to emphasize that without any tangible agriculture outcomes, there would not be any further success stories like the Bali Package. Developing countries needed a permanent solution to unequal rules in agriculture, in order to promote an agenda for decent jobs, food security and sustainable development. Therefore, the development aspects of the Round needed not only to be safeguarded but also strengthened.

3.73. The representative of <u>Guatemala</u>, <u>on behalf of Small and Vulnerable Economies (SVEs)</u>, said that SVEs had always been an active group within the negotiation pillar of the WTO. As countries with a special economic situation, it was in their interest that their particular circumstances and concerns were taken into account at all stages of the negotiations, and reflected in the final outcome of such negotiations. This was why SVEs strongly supported a transparent, inclusive and

bottom-up process that would allow all WTO Members, including SVEs, to participate effectively in the multilateral negotiations.

3.74. Regarding the way forward on the post-Bali work programme, SVEs believed that Members had to advance on the process and finalize the basis for the negotiations towards concluding the DDA as Ministers had mandated in MC9.

3.75. For SVEs, the development dimension had to remain as the main objective of any future negotiation process.

3.76. SVEs attached importance to having meaningful results in agriculture as an integral part of the DDA. As a Group, they believed that the draft Rev.4 modalities text had to be the basis of further negotiations, as it was a result of collective undertakings and reflected an enormous amount of negotiations and understandings since the launch of the DDA negotiations. Any future negotiation should take into account the recognition of the special circumstances of SVEs and preserve the flexibilities reflected for these members, in the draft Rev.4 modalities text.

3.77. In the same line, in the NAMA negotiations, the flexibilities of the Group, which were stabilized and contained in the draft Rev.3/Add.1 modalities text, should not be reopened. The recognition of SVEs' particular circumstances in those negotiations had to be preserved in any future negotiating process in this area.

3.78. In the area of services, the Group wished to reiterate its preference for a multilateral approach based on Annex C of the Hong Kong Ministerial Declaration which remained the cornerstone of Members' work on trade in services, and had carefully charted the objectives and approaches to be undertaken.

3.79. In that sense, any future process had to be guided by the GATS principles and, in that regard, flexibilities had to be given to developing countries and due consideration given to proposals on trade-related concerns of small economies and their developmental needs. The Group reiterated that targeted technical assistance as agreed in paragraph 10, Annex C of the Hong Kong Ministerial Declaration should enable developing countries to participate effectively in the negotiations.

3.80. The representative of <u>Pakistan</u> said that for the past two months, Members had been focused on the implementation of the Bali decisions. Ministers had given Members the task of completing all work relating to the TFA before the summer recess and to begin the process of ratification of the Agreement by Members' capitals in accordance with their respective legal and constitutional provisions. Regarding the legal scrubbing exercise, proposals had been received from 23 Members. Verbal submissions during discussions were also not precluded. To move further in an efficient manner, it was important to keep in focus the principle that in case of non-consensus on any of the proposals, Members might go back to the Bali text. Renegotiation of any of the provisions of the Agreement was likely to disturb the critical balance that had been achieved multilaterally at Bali. He was positive that work on the TFA was doable within the timeframe decided at Bali.

3.81. He said that the appointment of a Facilitator for cross-cutting LDC issues by the Chairman had been an important step. Two important issues, however, that is, rules of origin and implementation of the LDC services waiver would be brought forward for discussion in the current month. His delegation would be constructively engaged. He believed that more informal meetings in these areas would be held by the respective Chairs.

3.82. The Bali decisions relating to agriculture had been discussed at the committee level. These were complex issues and required careful negotiations based on reliable data while addressing concerns of all Members. He said that positive movement in agriculture would unlock other difficult issues.

3.83. At Bali, Ministers had also instructed the TNC to prepare a clearly defined work programme on the remaining Doha issues by the end of the year. They had also instructed that issues where legally binding outcomes could not be achieved would be prioritized. In a manner, developing a work programme, emanating from the Bali Declaration, was also an implementation issue. During

the past two months, Chairs of negotiating groups had remained engaged in informal and formal consultations with Members to define a broad outline of the programme. There was convergence on the fact that the post-Bali endeavour would include market access issues in agriculture, industrial goods and services. Besides, development would remain as the central pillar. Although there were differences of opinion relating to the agriculture and NAMA draft modalities texts of 2008, Members generally acknowledged that these modalities were a good basis for further work.

3.84. After the TNC, Members would enter into a new phase by addressing substantive issues in the Chair-led process to develop broad convergence on issues at macro level, before the summer vacation, to enable Members identify landing zones and prioritize the issues for further negotiations. Success at Bali had re-energized Members' engagement to strengthen the negotiating pillar of the Organization. His delegation would continue to make substantive contributions.

3.85. The representative of the <u>European Union (EU)</u> said that the EU remained strongly committed to the objective of concluding the DDA and was ready to engage in preparing a balanced and reasonable outcome. The main task ahead of Members was clear – they needed to agree on a realistic work programme by the end of the year that provided a clear path toward the conclusion of the Round.

3.86. It was important for the next steps to draw lessons from the past and avoid getting bogged down in unhelpful discussions. All Members knew the reasons for previous failures and had to steer away from them. The world had changed and evolved. Members' discussions had to reflect the problems and questions they faced today, and not those they had faced five or ten years ago. The overall balance and level of ambition that Members sought had to reflect today's world and what each one of them could deliver today.

3.87. The issues that Members needed to address were clear to everyone. In order to move forward Members needed to confront the question of how to achieve a balanced and satisfactory outcome on agriculture, NAMA and services. This was not an easy question, but Members had a wealth of experience from previous years to inspire them in this task. He said that what he took from Members' previous attempts was that: first, they needed to simplify their approach; second, they needed to adjust their expectations; and, third, Members needed to address the issues with an open mind.

3.88. Although the approaches set out in the 2008 draft modalities texts had not worked and had not gained the acceptance of Members, this did not mean that Members had to start from scratch. To start with, the development objectives of the Round remained as valid as ever. The EU stood ready to explore with developing countries the most appropriate way of getting there. It was important to bear in mind that the biggest development benefits would come from an agreement on the core negotiating areas. On these, all Members would have to contribute according to their level of development - with special attention to be given to the interests of LDCs.

3.89. His impression from the discussions that Members had had over the past three months was that the only way to move forward was to aim for an outcome that was ambitious but realistic, reflecting both a balance between the core areas and developments in global trade, whilst being doable and agreeable to Members. In this context, Members needed to ensure that work advanced with appropriate parallelism and with a similar level of ambition on all of the key issues: agriculture, NAMA, services and rules. Striking the right balance within and between these issues would require an evaluation and calibration of Members' expectations. The EU was ready to do this as long as others were also ready and that this was done across the board. Conversely, maintaining high ambition in one area while decreasing the ambition in others would not bring results.

3.90. With regard to the individual negotiating areas, the EU was ready to engage. On agriculture, issues that Members needed to work on were export competition and domestic support. The questionnaire on export competition was an important first step. Market access for agricultural and non-agricultural products were two sides of the same coin and had to be handled as such, in a balanced manner, together with services. It would be challenging. But, if Members calibrated their ambitions and looked at approaches that had worked in the past, then they could move forward, provided that they all engaged and sought solutions. Services would need to reflect the overall

level of ambition and Members had to try to identify areas of common interest where progress could be achieved. Finally, any DDA package would need to contain a Rules component. Traders and industry around the world were looking to the WTO to address issues such as horizontal subsidies, in addition to agriculture subsidies, and the WTO needed to be in a position to deliver. TRIPS issues, in particular GIs, were also an important element of this component.

3.91. The EU looked forward to further discussions with Members and would be ready to move forward under the guidance of the Chairman. Bali had shown that Members could achieve results. Members needed to show the world that this was not a one-time result but a new beginning.

3.92. The first step in this regard was to implement the Bali outcomes. Good progress was being made to meet the deadlines set by Ministers on trade facilitation. The EU urged all Members to quickly implement the TFA and reiterated its commitment to support developing countries in implementing the Agreement. Several initiatives and activities were ongoing to demonstrate that assistance was available. To encourage developing countries to implement, the EU would, together with other donor countries, organize a conference in Geneva in June to showcase successful arrangements and concrete examples of cooperation in the area of trade facilitation.

3.93. The representative of <u>Nigeria</u> said that the frank report on the state-of-play on the DDA negotiations, including the assessment and possible options presented by the Chairman, had provided Members with a good platform to decide on the way forward. Members were mindful of the useful parameters earlier outlined by the Chairman that were intended to provide necessary guidance in their engagements on the two significant tasks before Members: (i) the need to implement the Ministerial decisions and agreements reached in Bali; and (ii) the need to come up with a clearly defined work programme on the remaining DDA issues by the end of 2014. Members needed to concentrate their efforts on how to accomplish these challenging tasks, consistent with the hope and promise of the DDA, without compromising on any of its core elements.

3.94. Nigeria was committed to the implementation of the Bali decisions and to the preparation of a credible work programme that would ensure that Members delivered tangible results. As a Member-driven organization, there was need to ensure that the negotiating process, under the Chairpersons of the negotiating groups, adhered to the core principles and values, particularly, the primacy of the multilateral process, inclusiveness and transparency, which all Members cherished. In addition, Nigeria believed that Members should build on the convergence that had been achieved on the basis of the agriculture and NAMA draft modalities of 2008.

3.95. Agriculture was one of the strategic sectors being addressed in the transformation agenda of the Government of Nigeria. Therefore, his delegation wished to underscore the need for rapid results in the reform process in agriculture, in accordance with the Doha development mandate. Distortions caused by high levels of protection in agriculture, including subsidies, continued to undermine the long-term development aspirations of many developing countries, especially LDCs that depended solely on agriculture as the mainstay of their economy. It was a disappointment that the target of 2013 that had been set in the Hong Kong Ministerial Declaration for elimination of all forms of export subsidies and disciplines on all export measures with equivalent effect had not been achieved. It was the expectation of Nigeria that full modalities in agriculture and NAMA would be accomplished, as soon as possible for the Doha Round to be concluded in a timely manner. His delegation looked forward to an expeditious and meaningful solution to the cotton issue, in view of its importance to the economy of many African countries, particularly, the cotton-dependent LDCs.

3.96. Furthermore, his delegation wished to underline the importance of preserving the flexibilities agreed for the developing countries, LDCs, and SVEs in the modalities on agriculture, NAMA and services. His delegation called on all Members to intensify negotiations in an honest, transparent and inclusive manner. The tempo of the progress made in Bali had to be sustained, while Members ensured a horizontal balance in all the areas of the DDA negotiations.

3.97. On the TFA, his delegation noted the progress that had been achieved so far at the level of the Preparatory Committee on legal scrubbing, including contributions by Members in form of proposals. It urged Members to ensure that the changes they proposed to the texts did not affect the substance of the texts or alter the delicate balance already achieved, as a result of hard negotiations and flexibilities. It was also desirable that the WTO provided a platform for regular

dialogue between the donors, developing countries and LDCs in order to give the necessary assurance that the technical assistance and capacity building support required by Members would be provided to enable them to fulfil their obligations. The issue of update and revision of the needs assessment exercise, which in some countries, including Nigeria, were inconclusive, had to be given priority as a starting point. Nigeria was willing and committed to the implementation of the TFA in accordance with the Bali decision.

3.98. In conclusion, he said that Members should be reminded that Ministers in Hong Kong in 2005 had emphasized the centrality of development in every aspect of the Doha Work Programme, including the commitment towards making it a reality, in terms of the results of the negotiations on market access, rule-making and specific development-related issues. Accordingly, S&D treatment for developing countries and LDCs had to remain the central element in all areas of the negotiations. It was his delegation's view that the major concern of some of the Membership was that some important issues to some delegations were yet to be addressed in a fair and balanced manner. His delegation urged Members to show greater commitment to the multilateral trading system by showing more flexibility required for the conclusion of a balanced, credible and equitable outcome of the DDA, in line with the Doha Ministerial mandate. Nigeria remained willing and committed to working closely with all Members to achieving their set objectives and more importantly, towards the preparation of a credible and realistic DDA work programme that would ultimately, take into consideration the interests of developed, developing, least-developed countries and SVEs by the end of 2014.

3.99. Nigeria, therefore, supported the statements made by Lesotho on behalf of the African Group, Kenya on behalf of the ACP, Brazil on behalf of the G-20, Indonesia on behalf of the G-33, and Burkina Faso on behalf of the C-4.

3.100. The representative of <u>Colombia</u> said that the task given by Ministers in Bali had been to ensure that the objectives of the Round were reached. The construction of the work programme implied finding the best means to do so, taking into account current realities and recent experiences. Unquestionably, the priorities that each Member attributed to the different pillars of the Round did not necessarily coincide. Many developing countries, such as Colombia, believed that agriculture was the priority and should maintain a central role in Members' work. Members had to be realistic. It was neither possible nor viable to expect that Members achieved results only in areas of interest to them or which they considered to be a priority. This tunnel-type approach reduced the possibility of finding alternatives in achieving balanced results which were acceptable to all, and would only lead to limited outcomes.

3.101. Achieving ambitious results meant that these results should meet the priorities and interests of all, without setting aside development as the central focus of the Round. It meant that Members had to be willing to discuss and to search for compromises in all areas to identify what was doable, without, as in the past, leaving certain areas lagging behind. Quoting Henry Ford, "If there is any one secret of success, it lies in the ability to get the other person's point of view and see things from his angle as well as your own." There was sufficient value on the table for all Members, if they kept an open mind in the discussions. The WTO provided Members with unique opportunities to achieve results that were commercially and economically viable for all, find solutions to the challenges faced by world trade, and solve the various priorities and concerns of all Members. Colombia invited the Membership to bear this in mind.

3.102. The representative of Japan said that his delegation had noticed from the reports that conversations were still at a preliminary stage or, in other words, at the first stage – as were Japan's positions. It did not mean that the first quarter of this year had been lost in vain, because in order to come up with a credible work programme, Members needed good planning, which fully took into account the past mistakes, with a sense of urgency. He mentioned three points that would help Members enter into the second phase. First, the common objective should not be to have full agreement on the modalities of the negotiations. Members needed more flexible and new approaches, as it had been agreed at MC8 and which had led to the success of MC9. Therefore, he agreed to take a step back on the debate over the status of the draft Rev.4 modalities text as it had been suggested by the NAMA Chair.

3.103. Second, regarding the so-called core issues, interconnectedness as well as parallel and simultaneous approaches seemed to be gaining major support – in other words, the need for a balanced outcome of the negotiations. To that, he added the importance of the balance of

TN/C/M/34

contributions amongst Members in other important international organizations, such as the International Monetary Fund (IMF). Adjustment of Members' rights and obligations were being seriously discussed. It was time to work together to modernize the Organization. Third, in formulating the work programme, timeframes should be taken into account. For example, negotiations on Rules remained an important priority for Japan, but his delegation was aware that it could not strongly insist that an outcome on the anti-dumping negotiations should be a must for the deliverables of the Tenth Session of the Ministerial Conference (MC10).

3.104. In conclusion, with regard to trade facilitation, Japan reiterated its support for Ambassador Esteban Conejos' leadership as Chair of the Preparatory Committee and expressed support for what Switzerland, Pakistan and the European Union had stressed in this respect.

3.105. The representative of <u>Ecuador</u> said that the post-Bali work programme needed to be exclusively focused on the areas contained in the DDA. The needs and interests of developing countries had to constitute the centre of the work programme, that is, agriculture had to be the centrepiece of the programme. The work programme had to be based on the results achieved so far and on the principle of the single undertaking. He added that the post-Bali work programme and the implementation of the Bali Package had to be taken up simultaneously and in parallel.

3.106. Agriculture was a decisive factor in determining the level of ambition of outcomes in this entire process. Furthermore, from a broader perspective, he stressed that, on one hand, Members would have to move forward and build future agreements on the basis of the balance reflected in the Marrakech Agreement between trade and non-trade concerns, which was particularly important in the area of services, where there needed to be effective preservation of national regulatory space in a functional way, in line with Members' constitutional and developmental objectives. On the other hand, Members would have to ensure that the need for specific flexibilities, such as those recognized in favour of RAMs, SVEs and LDCs, translated into concrete S&D treatment. The same went for those issues that related to the interests of those Members, such as liberalization of trade in tropical products, diversification and preference erosion.

3.107. Finally, he made reference to the process in the DSB SS. In this regard, Ecuador supported the statement by Lesotho on behalf of the African Group. In light of the discussions in previous years, between June and November 2012, a large number of developing countries had submitted proposals with revised legal texts on timeframes, the mitigation of high litigation costs and effective compliance. Any outcome of this process would have to include these issues, especially those concerning effective compliance, with the objective of giving content and concrete significance to the S&D provisions already contained in the DSU. Ecuador supported a prompt conclusion of this process.

3.108. The representative of the <u>United States</u> said that Members' task in defining a post-Bali work programme was daunting but would offer new opportunities to chalk up results in the Doha negotiations. The United States remained focused on the new opportunities part of the equation, and welcomed the chance to outline some of its broad perspectives on how Members could make progress by the end of the year.

3.109. As Members moved forward, it would help all of them to remember the significance and lessons of the Bali Ministerial. Members could not rest on past accomplishments, but they could draw practical inspiration from what they had accomplished.

3.110. In Bali, Members had achieved the first new multilateral agreement in the WTO since its creation. The Bali outcome was substantial, but the credibility of the WTO would depend upon Members' ability to finish what they had started, completing the steps necessary to implement the TFA, and all elements of the Bali outcomes, so that all could benefit. His delegation was heartened by the efforts on TFA implementation to date. His sense was that the vast majority of Members were treating their Bali commitments and deadlines seriously.

3.111. Even with the Bali results, the credibility of the WTO's negotiating arm was tenuous at best. This was why it was essential that Members met the modest deadlines established in Bali, in order to ensure capitals and stakeholders would remain engaged in the WTO's next steps.

3.112. Members knew that targeted, practical technical assistance was a key part of the equation of successful implementation of the TFA. In this context, the United States was pleased with the successful engagement it had had already undertaken with Members such as Tanzania, Sierra Leone, Namibia, Macedonia, Tunisia, Morocco, the Philippines, and a number of Central American countries. The United States stood ready to engage directly with any interested Member. It was encouraged that many Members were already reaping the benefits of moving forward.

3.113. The parameters that the Chairman had laid out in the first post-Bali TNC – development, doability, balance, creativity, inclusiveness and transparency, and urgency – reflected exactly the factors that had led Members to success in Bali. If Members abandoned these tenets and returned to the stale debates and impasse that had prevailed prior to MC8, Members would fail. The inescapable reality was that, while Members had been negotiating the Doha Round, time had passed and the world had changed. The term "recently acceded", for example, had a different context in 2001 – or even 2008 – than it had today, years later. He said that Members could pretend otherwise, but it would not help them to solve problems.

3.114. His delegation welcomed the Chairman's ongoing efforts to move Members forward, and he was pleased that President Obama had been able to reaffirm the US commitment to the WTO's work when the Chairman had recently visited Washington.

3.115. It had also been useful to reconvene the dormant negotiating groups. For his delegation, those meetings had involved listening as well as speaking. They had been inclusive and instructive. But Members had to recognize that the frequency and number of meetings in coming months would not be the most reliable indicator of prospects for future success. What Members needed most were new ideas and an ability to break away from engagement modes that had not been successful. Rather than opportunities to repeat rehearsed narratives, Members needed creativity and a spirit of pragmatism. His delegation would welcome and give its closest attention to any new idea, from any quarter, that was genuinely motivated by a desire to take Members forward.

3.116. He wished to make a few points to reflect his delegation's thinking on the key areas of agriculture, NAMA, and services.

3.117. As his delegation had noted in each of these negotiating groups, it was essential that Members' work in these areas was well-informed by the latest data on trends in trade and barriers to trade. This data had to include an accurate picture of agricultural subsidies as they existed today. Agricultural subsidies might be a 20th century issue, but to address this issue in the 21st century, Members had to understand who was subsidizing today and how. In a global commodities market, no other approach could be effective. Members could not make progress if they were still looking to the past – sometimes decades in the past – to provide the factual basis for their negotiations. This started with required – and in many cases long-overdue – notifications. He said that Members who clamoured for progress in Doha but failed to meet this basic obligation would have little credibility.

3.118. Furthermore, any impulse to return to previous ways of working, with a rigid focus on the same negotiating texts that had failed in the past, would doom Members' efforts now. This should not mean that Members could not draw on ideas that might have been circulating at earlier stages of the Doha negotiations. But nor should it mean that Members could not draw on new ideas. He emphasised that pragmatism represented the key.

3.119. In addition, as in Bali, Members would also need to continue with a process and a way of working that allowed all Members' contributions to be explored, particularly those who benefited the most from their participation in the global economy.

3.120. Balance would be the key to finding a successful path forward. Any deal had to be balanced among agriculture, NAMA, and services. It had to be balanced within individual pillars, and with regard to individual issues.

3.121. As many had reiterated at this meeting, this remained a round of negotiations with development at its core. Members had made deliveries on that at Bali, and they needed to follow-through. A post-Bali work programme that was broad-based and increased global trade would deliver additional development results.

3.122. All Members were familiar with the data from WTO economists and other reliable sources, such as the World Bank, that increased integration of more developing countries into the global marketplace offered increases in the value of their trade and resulting increases in jobs and incomes. He said that it was easy to look around the room and point to the dozens of compelling examples of developing countries who had promoted their development through greater integration into the global economy. There were no examples of countries that were succeeding by increasing their isolation.

3.123. All Members had a profound stake in generating another success in the WTO – a considerably bigger success than Members had achieved in Bali. He said that the more that result could increase South-North trade, North-South trade, South-South trade, and even North-North trade, the better for all, particularly those developing countries most in need of increased trade.

3.124. The representative of <u>Argentina</u> associated his delegation with the statements made by Brazil on behalf of the G-20 and Australia on behalf of the Cairns Group.

3.125. Regarding the consultations process to define a post-Bali work programme his delegation wished to make the following comments.

3.126. Although, according to some, the three main areas of negotiations – agriculture, NAMA and services – could be interlinked, this linkage should not be aimed at balancing initiatives and results in the three areas. For Argentina and for a large number of developing countries, the level of ambition of any result reached in agriculture would have to determine the level of ambition in the other areas of negotiation.

3.127. Members also had to ask themselves what they were trying to do by seeking a parallel focus in negotiations in three areas, as some reports indicated. There was no similarity between the levels of liberalization in agriculture, NAMA and services. Clearly, agriculture was far behind the two other areas. This was why, already in the Uruguay Round, Members had committed to developing the reform process in agriculture. Even today, developed countries, especially the larger ones, continued to grant high levels of subsidies, not only in domestic support in general, but also trade-distorting support in the amber and blue boxes, of amounts several times higher than the rest of the Membership, whilst refusing to eliminate export subsidies.

3.128. In agriculture, whilst substantial reductions and elimination of distortions in the three pillars were urgent, the elimination of agriculture export subsidies had to be immediate and within a set deadline. Consequently, and in line with the Doha mandate, in 2005 Members had agreed to the elimination of the export subsidies remaining in the Schedules of Commitments of the Uruguay Round and the elimination of all forms of export subsidies by a set date. Therefore, the elimination of export subsidies was the first matter that had to be solved as decided by Ministers in Bali. It was not acceptable that because of a supposed link between the three areas of negotiation – agriculture, NAMA and services – Members sought the same level of results and tried to bypass the commitment made in Bali to address the elimination of export subsidies as a priority.

3.129. Finally, the parameter of the centrality of development had been recognized by all delegations and was reflected in the Chairs' reports. For Argentina, the centrality of development concretely meant that any work programme had to start from the premise that there would be binding results in agriculture in line with the priorities established in Bali, and that developing countries would be granted room for manoeuvre for the implementation of their growth policies. The negotiating principles of S&D treatment and less than full reciprocity (LTFR) were the pillars supporting the centrality of development. For Argentina, a post-Bali work programme had to be focused on achieving progress in agriculture in line with the Doha mandate and the priorities agreed in the Bali Ministerial Declaration. Therefore, any discussion in the other areas of the negotiations had to be determined by the progress made in agriculture and be aimed at ensuring the necessary policy space for developing countries and LDCs to implement their development policies.

3.130. The representative of <u>China</u> said that as a member of the G-33 and G-20, it supported the statements by Indonesia and Brazil on behalf of these Groups.

TN/C/M/34

3.131. On the implementation of the Bali Package, he said that faithful implementation of all the Bali decisions remained the top priority for all Members. The TFA represented an important outcome achieved with the joint efforts of all Members. All of them should ensure that all the implementation work be completed comprehensively before the end of July this year as set out in the Bali Ministerial Decision. In the meantime, the rights of developing countries and LDCs under the TFA had to be fully guaranteed and the S&D treatment, including the provision of assistance and support for capacity building, should be materialized, in order to ensure the due implementation of the TFA.

3.132. This TNC was critically important. It represented a transition of Members' work on the post-Bali work programme, that is, from the first stage to the second stage, although the two were interwoven together and it was not easy to draw a boundary.

3.133. In the past three months, Members had been working very hard. There had been intensive consultations and meetings organized by the Chairs of Special Sessions of negotiating bodies and within groups. Members had expressed and clarified their views and positions respectively. The spirit of bottom-up, Member-driven, inclusive and transparency as proposed by the Chairman had generally been shared by Members. The first stage had proved to be positive and meaningful, as it had shown Members a clearer picture of things both agreed and disagreed. He therefore thanked the Chairman and all Chairs of negotiation bodies and encouraged the Chairs to continue the good work.

3.134. Before moving to discussion of how Members should proceed in the second stage, he wished to share some of his observations and reflections.

3.135. First, Members had to put things in perspective. They could not go forward without the past. Where had they come from? Where were they going? What were they working for? The DDA was not a short journey. From its start back in 2001 in Doha, until before Bali, Members had been at the other side of the river. The Bali Ministerial had been a bridge, which had helped Members get across the river and reach the other side. But Members were still on the same road, following the same traffic rules and road signs. Members were still searching the way out to the destination. Members knew that they were not far from it. Their greatest assets were the experiences and lessons gained from the past, which would shine on the way forward. All that had been achieved was embodied in the Doha mandate, the single undertaking, modalities and consensus reached in 2008 and relevant Ministerial Declarations and Decisions. Members could not ignore or skip them.

3.136. Second, DDA stood for development, which had to be the centre piece for Members' discussion in the coming second stage. Development was about materialization of the S&D treatment and technical assistance and capacity building. It also meant how much help and assistance the post-Bali package could offer to the developing and least developed Members, helping them narrow the development gap. The existing S&D clauses were evidently not enough, and some core concerns of the developing and least developed Members had not been fully addressed. Something more needed to be done. In this spirit, any Member should not raise any new request or new concept which was at odds with the DDA mandate and detrimental to the completion of the work programme.

3.137. Third, time was not on the side of Members. Members only had nine months to work out the post-Bali work programme. For the second stage, Members needed to have a sense of urgency, which called for frankness and trust among Members, who were in the same boat. The question was how to strike a balance between "the doable" and managing the level of ambition. The lessons that Members had learnt from the failures in the past were that "too many" and "too much" had been requested in the negotiations. Members had made it in Bali because they had succeeded in managing the level of ambition in terms of "too many". If Members wanted to repeat the success post-Bali, they had to bend "too much" to a doable and realistic level. Members should not challenge each other's red lines.

3.138. For work in the second stage, he believed that three key words were relevant: "substantive", "constructive" and "convergence". Members needed to capitalize the good practice and experience that had been gained in the first stage and joint efforts in boosting the crafting of the work programme. In this regard, he shared three concrete suggestions.

3.139. First, Members needed to work jointly on the results of 2008 at the technical level, led by Chairs of negotiation bodies. This would help them prioritize their work and find a way from the woods to the highway.

3.140. Second, Members needed to engage their capitals and pump the political oxygen into the discussion at every possible opportunity, such as the OECD mini-Ministerial, the meeting of APEC Ministers Responsible for Trade (MRT) in May and the G20 Ministerial meeting in July. It was advisable to have a capital-based senior officials meeting before the next TNC meeting.

3.141. Lastly, Members needed to strengthen the dialogue and interaction between various regional or negotiating groups, which would help them better understand each other's positions and facilitate the negotiation.

3.142. The representative of <u>Mexico</u> said that it had been fifty years since GATT Part IV had been adopted. It was quite clear that those who had drafted it would be highly satisfied for two reasons.

3.143. Firstly, the central role played by development had been recognized. Trade and development were positively linked and placed at the heart of an important round – the Doha Round. Secondly, the drafters would be extremely satisfied to see that over the past fifty years, the participation of developing countries in world trade had grown by a factor of 1.6 and had gone from 23% in 1963 to 36% in 2012. Maybe in 2013 or in 2014, that figure would be even higher.

3.144. However, the drafters would be somewhat concerned that the trade benefits for developing countries had not been shared on a fair basis. There were regions that still had to benefit from such trade, as mentioned by Uganda on behalf of the LDCs. Perhaps, the founding fathers of Part IV would not be unanimous in their vision of how S&D provisions functioned, but he was sure they would be unanimous in wishing that the Doha Round be a success.

3.145. The success of the Doha Round had started in Bali. The present TNC meeting and the Chairs' reports showed that Members had moved forward towards the setting up of the post-Bali work programme. As the Chairman and several delegates had said, the parameters that the Chairman had spelled out in the February meeting had been very useful.

3.146. It was also important that the negotiating groups, in their different configurations, had been meeting after three years. This was why he could not agree more with the Chairman that Members had to change gear. As several speakers before him had said, they had to move into a new phase. The car had been bogged down for too long. Therefore, Members would need to get out and push it because simply shifting gear would not be enough. Members had to start talking about specific elements. He thought that the current meeting was the last day when Members could dust off their statements and revisit their positions. It should serve as an opportunity for Members to start discussing how to find a solution to conclude the Doha Round.

3.147. There were three elements which had been clearly spelled out by the Ministers. Firstly, the work programme should be ready by December. Secondly, the Ministers had said that the work programme should be substantive in nature. It was clearly spelled out in the Declaration. The programme had to have content. Thirdly, work should be carried out so as to conclude the Doha Round.

3.148. The Chairman and several delegates had said that Members had to move on to specific discussions and set aside general statements and declarations of principle, without posing any pre-requisite. Continued discussions on what the basis for negotiations should be would lead nowhere. Members should instead review each one of the issues and have a discussion with the respective Chairs. He thought that this was what the Chairman had said the Chairs were intending to do, and there should be no preconditions in doing so.

3.149. Members had to have clearly defined guidelines in the different issues, including agriculture and its three pillars, NAMA and services. With respect to that point, his delegation agreed with the Chairman that it had to be done in an integrated fashion. If they moved forward on those issues, it might be easier to move forward on other issues. They had to finally recognize that without necessary progress between now and the summer break, there might not be many more opportunities to advance.

3.150. In the 50th anniversary of GATT Part IV, he hoped that the objectives set therein would become reality and that developing countries could continue benefitting from world trade. To benefit from world trade, the best way was to do so through a round which would benefit all. For a round to be beneficial to all, the levels of ambition needed to be established in such a way that they were acceptable to all. Members were not going to gain all of what they wanted from the Round and might have to pay more, but that was how negotiations worked.

3.151. The representative of <u>Honduras</u>, also on behalf of the delegations of <u>El Salvador</u>, <u>Guatemala</u>, <u>Nicaragua</u>, <u>Panama</u>, <u>Dominican Republic</u>, said that they had recognized the Chairman's leadership in the consultations which had taken place with Members on the post-Bali work programme, along the lines of the mandate entrusted by their Ministers at MC9. They supported the statements made by Indonesia on behalf of the G-33 and Guatemala on behalf of the SVEs.

3.152. The delegations were aware that having a defined work programme and a roadmap, which would enable them to implement the Bali decisions, were essential to reactivating the negotiations within the structure laid out in paragraph 46 of the DDA. This would enable Members to complete the Doha Round successfully, taking development as the benchmark of those negotiations and preserving the principles of the single undertaking, full participation, transparency, and sustainable development, and the non-negotiable issues, as established in the DDA in paragraphs 47-52.

3.153. It was necessary that the Chairman instructed the Chairs of the different negotiating groups, horizontally, to continue their work with a bottom-up approach to give meat and flesh to the Bali decisions. Within the framework of the negotiations taking place under the authority of the TNC, the delegations were in favour of a process which fully preserved S&D treatment as had been established in paragraphs 35, 44 and 50 of the Doha Declaration.

3.154. El Salvador, Guatemala, Nicaragua, Panama, Dominican Republic and Honduras reaffirmed their commitment to the decisions taken by their Ministers in Bali and supported a prompt completion of the Doha Round.

3.155. The representative of the <u>Kingdom of Saudi Arabia</u> said that his delegation shared the Chairman's assessment and suggestions as pointed out in his report. The Kingdom of Saudi Arabia associated itself with the statements made by the Arab Group and the RAMs Group.

3.156. His delegation believed that the work programme should cover all negotiating issues mainly agriculture, NAMA, and services. Members should use every opportunity to have a meaningful and balanced outcome towards the conclusion of the DDA.

3.157. In order to save their precious time, Members should build on the work undertaken in the previous decade and ensure that the negotiated outcome was self-balancing. The overall thrust and pace of negotiations should be designed in such a way that it took into account all elements of the post-Bali work programme with equal priority, keeping the special needs and interests of developing countries and LDCs at the forefront. His delegation believed it was important to conclude the Doha Round before any new issues were added to the agenda.

3.158. While Members were shaping their negotiating agenda and the way forward, they should take into account the special situation of the RAMs, since they had undertaken extensive market access commitments at the time of their accessions.

3.159. He said that time was passing very fast and Members should intensify their efforts in a problem-solving mode and a trust-building spirit.

3.160. The representative of <u>Egypt</u> associated his delegation with the statements made by Jordan on behalf of the Arab Group, Lesotho on behalf of the African Group, and Brazil on behalf of the G-20. His delegation also supported the statements made by Uganda on behalf of LDCs and Kenya on behalf of the ACP.

3.161. Egypt was committed to the multilateral trading system and was convinced that concluding successfully the DDA would ensure the integrity and credibility of the WTO. The momentum gained from the success in Bali should be maintained and further activated in order to achieve the real developmental objectives of the Doha Round. The main objective behind the initiation of the Doha

Round negotiations had been the streamlining of development into the architecture of the multilateral trading system. His delegation hoped that the post-Bali work programme would reflect that objective, taking into consideration that it would be the true test of the credibility of the WTO to deliver real developmental outcomes, and bearing in mind that Members could not have another Bali, but they could have another, and much more comprehensive, success story if they were all committed to the development dimension of the DDA.

3.162. He made some comments regarding the ongoing consultations in the main areas envisaged for the post-Bali work programme. The negotiations on the three pillars, namely agriculture, NAMA, and services, should be guided by the single undertaking principle in letter and spirit, which was the only way to ensure striking the right balance among the potential outcomes of the Round.

3.163. Egypt expressed its concern regarding the tendency to neglect the 2008 modalities texts in agriculture and NAMA. It was concerned that the so-called "innovative approaches to negotiations" could jeopardize the developmental objectives of the Doha Round. The 2008 draft agriculture modalities text addressed some of the systemic imbalances inherent in the Agreement on Agriculture, and it was not clear how innovative approaches would address those imbalances. The draft Rev.4 modalities text should be the basis of the work of Members. Future discussions on the draft Rev.4 modalities text should address the ten outstanding issues as mentioned in the report of the Chair of the CoA SS on 21 April 2011. The interests of the Net Food-Importing Developing Countries (NFIDCs) and the issue of food security had to be satisfactorily addressed. His delegation underlined that concrete and tangible results on agriculture were indispensable for a successful and development-oriented post-Bali work programme.

3.164. The principles of LTFR and the S&D treatment provided for developing countries and LDCs, needed to guide the NAMA negotiations. Egypt recognized that the architecture of the NAMA modalities text of 2008 reflected that principle in the differentiation of coefficients of the Swiss formula between developing and developed countries as well as in the flexibilities provided for the developing countries to implement their commitments. During the open-ended meeting held by the NAMA Chair, his delegation had taken note that there were some Members who had called for employing the methodology of the request-offer approach to the negotiations. From its point of view, it had doubts that the request-offer approach would achieve the development objective of the negotiations, which was the equitable integration of the developing countries into the multilateral trading system. That approach would lead to bilateral negotiations where the principle of LTFR would be at stake. It considered the request-offer approach not to be the appropriate methodology to resume the NAMA negotiations. Rather, Members could build on the 2008 modalities taking into consideration the above-mentioned principles. Without clear developmental objectives, the developing countries would not have incentives to participate in the NAMA negotiations. Similarly, any negotiation on services needed to tackle the areas of interest to developing countries, particularly "mode 4".

3.165. The negotiations in the CTD SS needed to be guided by paragraph 44 of the Doha Declaration, which stipulated the strengthening of S&D provisions in the Multilateral Trade Agreements with a view to making them more effective, operational and precise. As had been mentioned by Lesotho, the African Group was conducting internal consultations in order to identify S&D provisions that could be included in the post-Bali work programme.

3.166. He highlighted that his country strongly believed that it was not in a position to add new issues to the agenda of the multilateral trade negotiations before Members finalized all the issues on the agenda of the DDA.

3.167. As he had expressed in his previous statements, Egypt agreed on the parameter of doability set by the Chairman for conducting the negotiations. However, there was a fine line between doability and selectivity. His delegation could work on the "doable deliverables" provided that the basic developmental objectives, as he had previously mentioned, were inherently integrated in all areas of the negotiations and were adequately addressed.

3.168. Egypt, being a country with 7500 years of civilization, could not afford to accept ignoring the principle of building on accumulated agreements and achievements of the past.

3.169. The representative of <u>India</u> expressed his delegation's fullest support to both the Chairman and the respective Chairs in their endeavours, and assured the Chairman of its utmost cooperation.

3.170. His delegation was still exploring options for laying out the contours of the work programme as well as the modalities for accomplishing closure on various aspects of the Doha mandate. There were a few core principles that Members needed to recapitulate so that they remained faithful to the DDA mandate. Although some might see the reiteration of those principles as being akin to holding up a candle to the sun, in its view, it was important to do so until Members had completely internalised them in their collective conscience. A successful conclusion of the DDA was the overarching goal for all of them but the quest for success should not lead Members astray into territory that was alien to the spirit and substance of the Round. Nor should Members abandon the valuable work that they had put in so far. Instead, they should build on it.

3.171. The credibility of the multilateral trading system hinged on the implementation of all the decisions taken in Bali, in good faith, not just one. The Ministerial decisions on public stockholding for food security, export competition, cotton, duty-free quota-free (DFQF), among others, needed to be implemented in order to reduce to some extent the inequity and imbalance that the developing countries and LDCs suffered from, in agriculture in general, and public stockholding programmes in particular.

3.172. First and foremost, as the Chairman had himself acknowledged at the TNC on 6 February 2014, development should be the key abiding principle that informed Members' discussions on the work programme in: (i) prioritizing different areas of the negotiations; (ii) determining the content of each area; and (iii) sequencing their work. This was the surest way to further shore up the credibility of the WTO and to build on the success in Bali. The implication of this was that Members needed to prioritize those issues in the work programme where binding outcomes could not be reached in Bali. The other implication was that among the negotiating pillars, it was the agriculture pillar that needed to receive the highest priority as that was where the interests of most developing countries and LDCs resided.

3.173. His delegation believed that the level of ambition in all other areas of negotiations should be calibrated by and should remain in sync with what Members decided to do (or not do) in agriculture. It would closely watch and monitor the progress in other areas *vis-à-vis* agriculture. His delegation believed that negotiations needed to proceed on the basis of texts that had reached a fair degree of stability. In agriculture, the draft Rev.4 modalities text had to be the basis of future negotiations and a wholehearted attempt by the entire Membership to resolve the outstanding issues of the Rev.4 modalities text would, in its view, open up the path for positive movement.

3.174. It was with disappointment that his delegation noted that new concepts, contrary to the principles contained in the Hong Kong Ministerial and the July Framework, were being proposed by some of the Members, for example, in the name of data collection in agriculture, and calls for varying contributions from among developing country Members. His delegation viewed those as highly counterproductive in as much as they would delay and complicate the resolution of issues; consume valuable negotiating capital; and divert attention from real issues. Those who adopted such tactics did not seem to have an interest in the early conclusion of the Doha Round. It emphasized the need to ensure that progress in all areas of negotiations happened at an even pace and not just in a select few.

3.175. The Membership would recall that at the 6 February TNC meeting, the Chairman had stressed the interconnectedness of issues and the criticality of balance. There could be no better way of achieving balance than adhering to the principle of the single undertaking. In his delegation's view, the conclusion of the Doha Round was feasible and within reach if all sides showed flexibility and understanding. He urged Members not to settle for inferior alternatives such as more partial harvests that did not necessarily contain something of everybody's interest and might give the few a chance to run with the ball.

3.176. His delegation believed that the high standards of transparency, inclusiveness and a Member-driven approach that the Chairman had reinforced in the Organization would continue to infuse all the work including the development of the post-Bali work programme.

3.177. His delegation associated itself with the statements made on behalf of the G-20 and the G-33.

3.178. The representative of <u>Peru</u> stressed the determined commitment of her delegation to implement, as soon as possible, all the decisions adopted in Bali and to start working on the task of establishing a work programme.

3.179. In trade facilitation, Peru had been contributing to the legal review process in the context of the Preparatory Committee's work. Her delegation believed that technical assistance for implementation of the Agreement was of crucial importance.

3.180. As noted by her delegation in the February TNC meeting, Peru hoped to achieve results in all areas of the DDA, including in the three pillars – agriculture, NAMA and services – and, as a matter of priority, in the following areas: fishery subsidies, liberalization of tropical products, protection of genetic resources and traditional knowledge associated to those resources in the patent system, and greater commitment in services mode 4.

3.181. Although her delegation appreciated the important result achieved in Bali of an early harvest, it felt that, in this phase, the negotiating process needed to tackle all the outstanding issues of the DDA, whose delicate balance had been modified by the Bali outcome.

3.182. Peru recognized that according to the WTO statistics, there was a positive trend in the global economy and in international trade which should be taken advantage of in the context of the negotiations. In 2013, the volume of trade in goods had grown by some 2.5% and, for 2014, it was forecast to have a 4% to 4.5% growth rate. It was also forecast that in 2014 there would be an increase in exports from both developed and developing economies. This compiled with the new dynamic of inclusiveness and transparency established under the leadership of the Chairman, which had led to the success achieved in Bali and which had given new credibility to the negotiating function of the WTO.

3.183. Those were new elements which needed to be the starting point for Members to find creative solutions in all of the issues under the Doha Round. She reiterated that Peru would not be able to go along with an outcome which would lead to an "early harvest II", in terms of another small package excluding those areas of highest priority for developing countries. Her delegation considered that Members could advance on the basis of the parameters that the Chairman had proposed and with which they agreed. They needed to focus their work, in compliance with the instructions that Ministers had given in Bali to establish, by the end of the year, a clearly defined work programme on all the remaining DDA issues.

3.184. The representative of <u>Korea</u> agreed with the assessment of the current state of play with regard to the post-Bali work programme in the general context and on each pillar. It was April and Members were already a quarter of the way through the year. He, however, believed that Members had made a good start by identifying their positions on each negotiating pillar and making progress in the Preparatory Committee on Trade Facilitation.

3.185. His delegation had also felt the sense of uncertainty and cautiousness among Members during many open-ended consultations. In a warm-up session, that approach was necessary and it was understandable to repeat each Member's position without a contour of the post-Bali work programme at that stage. To spearhead the current situation, Members should continue exploring diverse and multi-level consultations during the first half of the year with open, creative and flexible minds taking into consideration the Chairman's parameters.

3.186. Along those lines, he shared three points regarding the preparation of the work programme before the summer break.

3.187. First, many Members had said that agriculture was a tone-setting pillar in their consultations. Even though other pillars were also an essential part of the work programme, it was hard to deny that argument in some senses. However, Members should also keep other engines such as NAMA and services running forward. They did not need to rush at this point, even though they should have a sense of urgency. Small progress, inch by inch, in every pillar could be

meaningful and helpful to garner more momentum and to move the work programme forward as a whole.

3.188. Second, as China had pointed out, Members needed more political input from their capitals in their endeavours. In that regard, other regional and global institutions such as APEC, the G20 and the OECD should demonstrate their commitment at the Ministerial or Summit levels towards facilitating the post-Bali work programme and the multilateral trading system.

3.189. Third, in the same vein, Members should consider possible ways, including more intensive consultations between Geneva and their capitals, to obtain more attention and engagement from capital-based officials in an appropriate and timely manner.

3.190. Korea fully supported every effort by the Chairman and the Chairs of the negotiating groups. His delegation continued to engage constructively to make progress with the tasks ahead.

3.191. The representative of <u>Cuba</u> said that her delegation supported the statements made by Indonesia on behalf of the G-33, Brazil on behalf of the G-20, Kenya on behalf of the ACP, and Guatemala on behalf of the SVEs.

3.192. Her delegation did not detect any substantial changes since the previous TNC meeting held on 6 February. The positions of certain developed country Members did not seem to be making a positive contribution to moving forward.

3.193. With so much work ahead, there was a risk that at the last minute, what would prevail would be a sense of urgency, sacrificing the interests of the majority. There could neither be any selective treatment nor any moving away from the Doha mandate. Rather, the principle of the single undertaking should be respected and the Doha mandate should be preserved. Creativity should always be aimed at ensuring that by the end of the year, Members had prepared a clearly defined work programme with development at its centre.

3.194. In the most recent meetings, Cuba had clearly stated its position. Her delegation requested that its interventions in the CoA SS on 28 March, the Negotiating Group on Market Access on 31 March, and the CTS SS on 1 April be incorporated in the records of this meeting.³

3.195. For agriculture, her delegation mentioned, as a point of concern, that after so many years and so many efforts, the overall work accomplished in the WTO could be dismissed by some who were trying to hamper further progress. There were some who hid behind new ideas, new data, new information, new concepts, new approaches to hide the real purpose and to perpetuate an unbalanced reality which had always been favourable to them.

3.196. On NAMA, she reiterated that Cuba could not imagine a balanced outcome in that area without the elimination of NTBs, which were inconsistent with the most fundamental principles, rules and agreements of the Organization.

3.197. Cuba maintained its commitment to the WTO and was willing to work constructively to ensure that the Doha Round would be firmly put back on track and that the objective would be achieved for a world alliance for development, where the role of trade, as the Chairman himself had stated on 4 April in the Second Open Dialogue of the Sustainable Development Agenda for 2015, was not simply reduced to liberalization but it became a tool for development policy.

3.198. Her delegation made reference to the negotiations on the DSU reform and supported the comments made by the African Group on that matter. It stressed the work that had been done in the DSB SS by developing countries that had submitted a number of proposed legal texts on timeframes, mitigation of high cost of litigation and effective compliance. Any outcome from that process would have to include and take into account those matters. Cuba gave its full support to a successful conclusion in those negotiations.

3.199. The representative of <u>Turkey</u> said that this was his first TNC meeting and he believed he had joined in an important, critical and challenging time. After his arrival, he had participated in

³ The statements are included in Annexes III-V.

the meetings of negotiating groups, and had visited a number of his colleagues. All those meetings and talks had been a very good opportunity to understand recent developments.

3.200. He underlined that the readiness and open-mindedness of the entire Membership was encouraging to carry on the negotiations in the WTO. He was pleased to see that all of his colleagues kept their hope and determination for a doable outcome in the negotiations in line with the Bali Package.

3.201. Turkey also appreciated the efforts of the Chairman to lead Members to an early and full implementation of the Bali Package as well as a successful post-Bali work programme. His delegation strongly supported the Chairman's efforts. He also reiterated his delegation's determination to engage with all the parties in a constructive and open manner.

3.202. He had no intention to touch upon each and every point of Turkey's position at the meeting. However, he underlined a couple of points that he had also witnessed as a generally shared view of the entire Membership.

3.203. Turkey had always been a staunch supporter of the multilateral trading system. His delegation also considered transparency and inclusiveness as important guiding principles for a successful negotiation in the WTO.

3.204. Turkey was well-aware of, and therefore appreciated the role of trade in development. His delegation believed that the centrality of development in the negotiations ahead was as undisputable as it had been in the past.

3.205. There was a broad convergence on the linkage among the three pillars, namely NAMA, services and agriculture. He believed that Members could strike the right balance as long as they continued negotiating with an open-mind and remained solution-oriented.

3.206. The success in Bali had opened a fresh window of opportunity for Members to work on the completion of the DDA. They should not lose the momentum. He believed that being realistic, pragmatic and seeking the possible would be key to a doable outcome.

3.207. He agreed with the Chairman that if Members wanted to reach the objectives set out in Bali, they had to accept being equally unhappy from the result of the negotiations.

3.208. The representative of <u>Chile</u> said that at the TNC in February, all delegations had agreed that the success of MC9 had given a new breath of confidence to the multilateral trading system.

3.209. However, the euphoria of the success in Bali had left Members behind. They needed to sit down and work on the work programme instructed by their Ministers so that they could resume negotiations on the Doha Round. Over those months, they had had a number of understandings among themselves. For example, by December 2014, they needed to have a work programme which was to be implemented in the course of 2015.

3.210. Members knew that agriculture would have to be at the centre of any future process, that the modalities, as originally designed, had not functioned, and that they all wanted to close the Doha Round. In other words, they had a number of points in common. The challenge was how to comply with those instructions. In Chile's view, that could be achieved by using the initials PPM: Members should be prudent, pragmatic and mindful.

3.211. Members should be prudent because, despite the sense of urgency, they needed dialogue among themselves in Geneva and a process of domestic thinking with their own capitals. They needed to consider whether the world situation had changed in the past ten years and it had probably also changed in their countries. Nonetheless their positions were still the same which had been reflected in the meetings of negotiating groups of the past few days. So they needed to review and update their objectives making it possible to refresh their positions.

3.212. Members should be pragmatic. They had to leave behind theological discussions and dogmatic positions which they all had maintained to the present. For example, currently, there was no real dialogue if Members said that the Rev.4 modalities on agriculture did not exist, and the

same would happen if they asserted that the draft Rev.4 modalities text was untouchable. That was a dialogue of the deaf and there was a predictable outcome: nothing. In this case, there would be no progress which would not result in the completion of a work programme. As such, Members should be willing to open a dialogue without any a priori.

3.213. Members should be mindful. They should be mindful of the fact that every negotiation implied that they understood their counterparts' limitations and they already knew what everybody wanted. To repeat over and over again the litany of their wish list was pointless. They already knew what that was.

3.214. In the new stage, Members had to change focus and ask what each of them was ready to give as they knew the needs of the others. In other words, and within the rules, they needed to go from a request-offer approach to an offer-request approach. Bali had left them at a new stage. They should take that opportunity to go back to the table with a renewed spirit, vision and ambition.

3.215. The representative <u>Hong Kong, China</u> pointed out that it was already April, less than nine months away from the end of the year. While the various Committees had been conducting useful consultations on what Members could do in the work programme, his delegation was concerned about the current state-of-play. The warm weather seemed to have lulled Members into an early torpor.

3.216. It was difficult to know where to start to resolve issues that had bedevilled the DDA negotiations for many years. In Hong Kong, the Cantonese speaking people would say it was like a mouse trying to pull a tortoise – when the whole body of the animal was hidden inside an oval shell, how could one pull it? Where could one start? So Members needed to stick their hands and feet and neck out, to give their task a solid handle.

3.217. Members had been instructed by their Ministers to come up with a clearly defined work programme by December. They also had MC10 in sight and could not come out of it empty-handed. They needed some real outcomes. To do so, they needed to work out very soon just how to manage the remaining DDA issues – for which a realistic target was probably the Eleventh Session of the Ministerial Conference (MC11). Unless Members already started a serious dialogue, they might not even make the first step.

3.218. But his delegation was not discouraged, yet. As the Chairman, the Chairs of the negotiating groups and many Members had already said at the meeting, there were clear signs of willingness to engage, and his delegation was positive about the process.

3.219. He shared three main points:

- a. The level of ambition was a key issue it should be realistic.
- b. Members needed to strike a balance among the three pillars agriculture, NAMA and services with development at the heart of all three and pursue all of them in parallel.
- c. Members should also not ignore other important issues where his delegation would single out Rules.

3.220. He heard several Members and groups of Members on both sides of the agriculture issue set out some firm positions at the meeting. His delegation was the ninth largest importer of agriculture products in the world. But he made an assurance that his delegation would be very flexible in its negotiating approach.

3.221. At the same time as taking forward the work programme, positive action needed to be taken to expedite the implementation of the Bali Package, where bedding down the TFA was clearly key.

3.222. In this connection, while Members were still doing internal consultations, he was pleased to say that Hong Kong, China was minded to schedule all the provisions in Section I of the TFA as Category A commitments, and to implement them once the Agreement entered into force.

3.223. Hong Kong, China fully agreed with the Chairman that Members already needed to move into phase 2. His delegation agreed with his characterization of the 2008 texts: they could not simply be dusted off and signed up to – but they represented years of painful negotiation and covered most of the bases they would need to cover anyway if they were to start afresh.

3.224. In dragging the car out of the mud after six years as the Chairman put it, Members would all need to show more flexibility and willingness to compromise on standard than the "Bureau des autos" might show for the "visite". He thought the ASEAN statement at the meeting had been important in that regard.

3.225. Hong Kong, China remained committed to the process and the targets, and would work closely with all other Members for a doable and balanced work programme. His delegation looked forward to leadership from the major players and full participation for and attention to the great majority of Members that really wanted the Organization to succeed in its negotiating arm.

3.226. The representative of <u>Israel</u> believed that all Members agreed on how important it was to build on the momentum of the success of MC9. His delegation understood that it was not an easy task, but was encouraged by the willingness of the Members to engage in discussions in the previous months and since Bali.

3.227. Israel was participating in the consultation process and although Members were still in the early stages of the process, his delegation was convinced that progress would only come if they had frank discussions and adapted themselves to the current reality.

3.228. What had worked well in Bali had been the clear realization that this was not a time for rehashing old positions and statements, but a time to be both pragmatic and proactive. As part of that mind-set, his capital was reviewing its previous positions. His delegation was open to considering all options and strongly supported searching for a proactive and productive way to renew the negotiations in the remaining DDA issues.

3.229. His delegation had listened carefully to the Chairman's report and agreed that doability should be one of the guiding principles. However, that "doability test" should also be calibrated against the necessity of coming up with a meaningful outcome. In order to achieve that within the limited time frame Members were facing, it might be necessary to choose from within the broad DDA issues.

3.230. Israel looked forward to continuing engagement in order to come up with a meaningful work programme before the end of the year. His delegation stood ready to contribute and assist in any way it could in order to move forward and make progress.

3.231. The representative of <u>Norway</u> said that Ministers had given delegations their instructions through the Bali Declaration and his delegation was pleased to note that the necessary work to ensure the entry into force of the TFA was progressing well. At the same time, Members should not forget the other implementation issues going forward.

3.232. Members should already focus their efforts on drawing up the work programme, building on the parameters presented by the Chairman. Time was of the essence. They had until the end of 2014 to complete their work.

3.233. In order to move forward, his delegation believed it was important to do just that – Members needed to stop looking backwards, referring to old texts and old positions. Instead, they should turn to the basics and should have a conversation about where they were and what they wanted. Members needed to have an honest and realistic conversation about what was possible. In doing so, they should try to talk about what they could do and not be restating what they needed or wanted. As Members had stated on many occasions, they needed to address the difficult issues on their own merit, and not on the basis of old positions and texts, although these could serve as a source of inspiration.

3.234. Members should all contribute to the work of the various negotiating groups as well as the work of the regular bodies in their effort to define and frame the important issues which would

form part of their post-Bali work programme covering agriculture, NAMA, services and Rules, which others had also referred to at the meeting. Development should be at the centre.

3.235. His delegation urged all Members to engage in that process with an open mind, and ensure that the work done be proponent-driven and solution-oriented.

3.236. His delegation emphasized its support for the consultations under the leadership of the Chairman. Going forward, conversations needed to be held in various configurations and formats. That was necessary in order to ensure that Members' concerns would be addressed and to pave the way for the honest discussions they needed to have. Throughout the process, the principles of inclusiveness and transparency should be upheld.

3.237. The representative of <u>Paraguay</u> said that Paraguay had a lot of expectations on the establishment of the work programme by December 2014 and trusted that the programme would have a high level of ambition and would ensure binding and meaningful results for the building of a fair and market-oriented multilateral trading system in agriculture, services and NAMA.

3.238. Paraguay was ready to rapidly embark upon the next stage of the negotiations in all pillars to explore the different venues which would make it easier to take steps towards the conclusion of the Doha Round objectives. His delegation was ready to work in parallel on the analysis and supply of information which would give greater security to the negotiating work. His delegation stressed the need to rely on information which would enable Members to identify both the progress and setbacks – if any – that had occurred in each Member during the time of the prolonged Doha Round negotiations. The effort of collecting information should take place at the national level. Members needed a self-portrait – a "selfie" – to see: how things had changed, for better or for worse, in the context of international trade and what the new needs were to improve Members' integration into international trade.

3.239. Paraguay believed that the application and interpretation of the draft modalities texts, as a basis for the negotiations, should be done according to the new realities prevailing in each country and in international trade. His delegation insisted on the need to make an effort to update the information to know exactly where Members got to, while the negotiations had been paused.

3.240. In this new phase, while respecting the centrality of agriculture – and in this regard, Paraguay supported the statement by the Cairns Group and the G-20 – Paraguay had a specific interest in pushing the work in the services pillar, because of its contribution to improving competition in goods. His delegation thought that the services pillar contributed to development. By promoting this pillar, services could support the universalization of technological progress, enhance access to financial services, and ensure the connectivity of remote areas either through transport or telecommunications.

3.241. Paraguay, as a land-locked developing country, gave a lot of importance to the progress in the services pillar with a view to being able to connect to the world and reduce its production costs. His delegation believed, for instance, that there was a direct link between services and the implementation of the TFA, an agreement which, as a landlocked country, was absolutely essential for Paraguay to take a greater part in international trade.

3.242. The representative of <u>Tanzania</u> aligned his delegation with the statement made by Uganda, on behalf of the LDC Group, Lesotho for the African Group, and Kenya on behalf of the ACP Group. His delegation was fully committed to the upcoming negotiations on the DDA pillars and believed that the guidelines, even by Ministers during the MC8, and the 2008 draft modalities texts laid a great foundation for convergence of the interests of LDCs and those of advanced economies.

3.243. His delegation reiterated the need to preserve the DDA spirit as a basis for equity in the international trade. Countries should pursue a common objective of ensuring that the outcome was driven by reason and responsibility in order to produce benefit for all Members.

3.244. He also requested that the meetings be scheduled in a manner that avoided competing participation. He pointed out that, while the TNC meeting was being conducted, there was an ongoing meeting of the Trade Facilitation Preparatory Committee. He understood the current situation but said that those matters should be anticipated in the future.

3.245. Tanzania believed that with the guidance of the Chairman, Members would not repeat the 2008 deadlock. They needed to conclude the negotiations with a win-win outcome and his delegation was there to win.

3.246. The representative of <u>Oatar</u> associated his delegation with the statement delivered by the delegation of Jordan on behalf of the Arab Group.

3.247. There was difficulty in achieving a perfect outcome in the upcoming negotiations as had been reflected. His delegation recognized that there was need to move towards outlining the desirable outcomes and to set the level of ambition in the upcoming negotiations. However, on that point, his delegation regarded the single undertaking principle as the most balanced principle that could lead to a successful conclusion of the DDA. Progress should be further contingent on a balanced approach among and within the three pillars: agriculture, NAMA and services.

3.248. The momentum generated by the success in Bali should serve as a reminder that success was possible and achievable. The momentum of Bali should continue as his delegation urged all Members to accelerate the process of negotiations coming up to the December deadline.

3.249. The State of Qatar re-emphasized its commitment to work actively to cooperate with the Chairman, and with all Members, so that they could all come to a fruitful conclusion of the DDA.

3.250. The representative of <u>Costa Rica</u> said that Costa Rica was committed to the Bali mandate and that it was happy to be working on the TFA and on the other decisions that had been adopted at MC9, as well as on the establishment of a work programme which would help Members conclude the Doha Round.

3.251. He supported the statement made by Australia on behalf of the Cairns Group and the ideas put forward by other delegations, in particular Colombia and Chile, on the need to face the new stage with pragmatism and openness to find an agreement in all areas and to take up the challenges that trade and the world economy were faced with.

3.252. He called upon developed Members to commit to the liberalization of trade in tropical products. In previous stages of the negotiations, Members managed to solve the differences between developing countries in the areas of tropical products and preference erosion. In the new stage, the idea was to try and solve the common problem of all those countries and comply with the S&D treatment mandate in favour of the offensive interests of developing countries.

3.253. The representative of <u>South Africa</u> asked that the statement that his delegation had made at the General Council meeting of 14 March be included in the record of this meeting⁴.

3.254. The <u>Chairman</u> said that Members would be notified in due course about the date of the next TNC.

3.255. As he had said in his opening statement, Members had to move into a different phase of the conversation. His expectation was that Members could be more focused about what they expected and what they would like to see as solutions and outcomes.

3.256. He would be talking to Members individually and in groups. The Chairs would be doing the same. This would be mostly a Chair-led process. He would step in and talk to Members eventually in informal mode. He asked Members to be open-minded when they talked to him and even more so when they talked to the Chairs.

3.257. He said that he had not heard anything at the meeting that was irremediably irreconcilable. He had heard many delegations say that they were open-minded, that they wanted to preserve what they had done and that the 2008 draft modalities texts were important and they should be kept on the table and be a basis for negotiations. He had also heard others say that this was fine, as long as they were not deemed to be untouchable.

⁴ The statement is included in Annex VI.

3.258. As far as he was concerned, he did not necessarily see a conflict. From his perspective, Members were only going to be looking at solutions once they felt comfortable that those solutions were things that they could handle and they could deal with; that they would still reach a benchmark or an end zone that they could sell back at home. That was understandable, that was where Members were at present.

3.259. He believed that everybody at this point in time was suspicious and he did not expect it to be otherwise. He asked Members to overcome the suspicion phase by putting things on the table. He believed that this was something that every Member would have to do.

3.260. All Members knew where they were. They all knew they had individual difficulties. There were very few delegations that could live with the texts as they were. Most delegations could not.

3.261. He asked Members to be open-minded. He would hear from each one of them. He was sure that everyone had ambitions in some areas of the text and they would also need to be ambitious in the other areas of the text. Therefore, ambition and realism would have to walk hand-in-hand in all areas of the texts, both intra-text and inter-texts. He asked Members to be ready for that conversation.

3.262. The Trade Negotiations Committee took note of the statements.

- 38 -

ANNEX I

STATEMENT BY AUSTRALIA ON BEHALF OF THE CAIRNS GROUP AT THE INFORMAL MEETING OF THE SPECIAL SESSION OF THE COMMITTEE ON AGRICULTURE ON 28 MARCH 2014

What do Members consider to be the desirable and doable aims for ongoing discussions and negotiations in relation to the three inter-related pillars of agriculture?

- Cairns Group Members are *demandeurs* for an ambitious agriculture package balanced across the three pillars of export competition, domestic support and market access. Nothing has changed in this respect- we recall the Cairns Group Ministerial Communique from Bali. Cairns Group Members continue to press for outcomes across the three pillars for the simple reason that agricultural markets remain heavily distorted.
- We need to move decisively in all three areas.
- Improved market access in agriculture based on the Doha mandate remains a critical deliverable for Cairns Group Members. Agricultural market access is still plagued by distortions that some members utilise.
- On domestic support we would like to see an ambitious outcome that reduces substantially the provision of trade distorting subsidies, in accordance with the Doha mandate. Domestic support remains important because it can only be addressed at the multilateral level.
- It is also apparent that a desirable and doable aim of Ministers is to finally deliver on their long standing and overdue commitments on export competition, which was established as a priority by Ministers in Bali. The desirability is demonstrated by MC9. The do-ability is demonstrated by current policy settings.
 - The Membership has done the lion's share of the necessary negotiating work in this area, with Ministers agreeing that the (TN/AG/W/Rev.4) disciplines in export competition are an important basis for agreement.

What contributions do Members consider they, and other Members, need to make to this end?

- Cairns Group Members are prepared to take commitments, in accordance with the Doha mandate, commensurate with their level of development, across all three pillars.
- A question to others is what outcomes might be necessary for them in market access, domestic support or export competition to realize ambitious outcomes across all three pillars in agriculture?

What new information do Members wish to bring forward, or would encourage others to bring forward, to update earlier discussions about policy settings and developments that may be relevant to the negotiations?

Domestic Support

- We should consider the domestic support policies of WTO Members today with regard to the Doha mandate.
- Whilst trade distorting Agreement Measure of Support (AMS) expenditure has reduced over the last 10 years, we do not yet know the full distortive impact of new policies, such as the new US Farm Bill.
- Any work on domestic support needs to help implement the goal of substantially reducing trade-distorting support in accordance with the Doha mandate.

Market Access

- Agricultural market access is heavily administered.
- We need to understand how Members tariffs have changed since 2001, in accordance with the Doha mandate.
- We need to deliver value and ambition in market access, in accordance with the Doha mandate.

• Going forward, for any conversation on market access there needs to be transparency in negotiations.

Export Competition

- Ministers have already answered this question with respect to export competition in the sense that they have mandated an annual dedicated review in the Regular Committee on Agriculture.
 - We recall our paper to the regular CoA last week on how to approach the questionnaire, and recall the support from across the WTO Membership for the paper and need for Members to respond fully and timely to the Secretariat's questionnaire
- There have been a number of developments in the area of export competition whilst such reforms are a step in the right direction they fall short of the ambition envisaged in the Doha mandate and the Hong Kong Ministerial Declaration.

- 40 -

ANNEX II

STATEMENT BY BRAZIL ON BEHALF OF THE G-20 GROUP AT THE INFORMAL MEETING OF THE SPECIAL SESSION OF THE COMMITTEE ON AGRICULTURE ON 28 MARCH 2014

The G-20 would like to thank you for the report of your consultations and congratulate you for your efforts to encourage the negotiations.

The G-20 as a Group does not have definitive answers for the three questions you posed for this meeting. Consultations are still ongoing among us and with capitals.

Although still preliminary, and with the sole intention of helping us find convergent approaches for the DDA negotiations, the G-20 considers it appropriate to convey the following points.

On ambition, as we have been saying, the G-20 is of the view that the Work Program should address the core elements of the DDA agricultural negotiations, across the three pillars of agriculture, which include market access, domestic support and export subsidies.

The G-20's ambition is set by the Doha mandate. As you all remember, our mandate says, and I quote: "we commit ourselves to comprehensive negotiations aimed at: substantial improvements in market access; reductions of, with a view to phasing out, all forms of export subsidies; and substantial reductions in trade-distorting domestic support".

As correlate point, emphasizing the centrality of agriculture for the DDA is never redundant. Let us make no mistakes: agriculture remains the key determinant of the level of ambition of the results of the DDA negotiations and the benchmark for the landing zones we will arrive at. We also want to recall the agreement reached at MC9 that issues where legally binding outcomes could not be achieved will be prioritized in the post-Bali negotiations. Export competition is clearly one of them.

On possible new contributions, the G-20 considers that the revised draft modalities for agriculture (TN/AG/W/4/REV.4) are the basis for a successful agreement and the basis for our discussions to develop.

Finally, on the submission of new information, the G-20 is open and ready to engage constructively in discussions that Members deem important. However we would not support sequencing the work we will carry out this year. We believe that the discussions on the implementation of the Bali results, on new information gathering exercises and on the Work Program should happen concomitantly.

- 41 -

ANNEX III

STATEMENT BY CUBA AT THE INFORMAL MEETING OF THE SPECIAL SESSION OF THE COMMITTEE ON AGRICULTURE ON 28 MARCH 2014

We would like to thank you for your report dated 14th March and also for your introductory comments. Cuba fully supports the statements made by Brazil on behalf of the G-20, by Indonesia speaking on behalf of the G-33, and we also support the statement by Jamaica on behalf of the ACP.

We would like to stress the fact that in future work of this Committee, what should be prioritized are the Doha pending issues. It is very important that this work be accomplished on the basis of an inclusive, transparent, bottom-up approach. It must also be a balanced process, respecting the principle of the single undertaking and where agriculture and development have a central place.

We endorse the fact that the Doha Round continues to be the centre of the work of this Organization and the main mandate for all of its Members.

We do not yet have our definitive answers to your questions; we would nevertheless have a few preliminary concerns to signal. We are concerned to see that after so many years and so much effort invested, the overall balance of work achieved in agriculture in the WTO could be considered by some who are trying to hamper any further progress. Some are hiding behind devices which are not very clear and are seeking to find new ideas, new data, new information, new concepts, and new approaches, so as to hide their true aims and perpetuate an unbalanced reality which has always been favourable to them.

I regret that I would not be able to have gone with your request of not repeating well known positions. We do think that this matter deserves repetition due to its importance. Cuba reiterates that the Work Programme on agriculture cannot in any way whatsoever overlook the broad basis of work that accumulated over so many years. And in this respect, we cannot disregard the fourth revision of the draft modalities, however many imperfections it may have. Cuba in fact has a proposal for some changes to these draft modalities. Nevertheless, this should continue to be the basis for future negotiations as is also the Doha mandate.

Cuba continues to be committed to the Round and is willing to advance in full respect of the principle of single undertaking.

Argentina has already indicated that there is a great deal of work yet to be done and we truly do not have very much time.

However if in trade facilitation, it was possible in three months' time to eliminate some 600 square brackets, I am virtually convinced that we can do the same thing in agriculture.

- 42 -

ANNEX IV

STATEMENT BY CUBA AT THE INFORMAL MEETING OF THE NEGOTIATING GROUP ON MARKET ACCESS ON 31 MARCH 2014

We would like to thank you for your introductory remarks and the report on the 14th of this month and we would also like to thank you for having held consultations with us in the course of your round of consultations prior to the General Council. We would also like to support the points expressed by El Salvador speaking on behalf of the Small Economies and those spoken by Kenya speaking on behalf of the ACP.

Cuba is still reflecting on answers to the questions that you put to us in the convening fax for this meeting however we did have some general comments to make on a preliminary basis as to how we think that the negotiating process in this area should take place.

We believe that the starting point to continue negotiations is the draft modalities contained in TN/MA/W/103/Rev.3/Add.1 which does represent years and years of work and efforts and for Cuba it would not be acceptable to start again from scratch.

As a means to move forward we could consider some of the elements contained in the draft modalities for example the formulas, the coefficients, the flexibilities so as to see where currently problems lie and where are the interests of Members and to see what would need to be modified in this draft. Without this in any way implying any backsliding from what has already been achieved to present.

Some delegations have already mentioned this but we would like to stress this point that if there are to be tariff negotiations in NAMA there must also be consideration of all non-tariff barriers. Cuba cannot conceive of a balanced outcome in NAMA without the elimination of non-tariff barriers which are inconsistent with the elements, principals and fundamental standards of this organization.

Furthermore as we see it there must be a parallel in the NAMA negotiations with other areas, in particular with agriculture and likewise consideration should be given to preference erosion and technical cooperation.

Finally another preliminary comment is that we think it might be appropriate to try to conclude the HS2007 transposition exercise so that the certified schedules of 2007 are available for all Members.

- 43 -

ANNEX V

STATEMENT BY CUBA AT THE FORMAL MEETING OF THE SPECIAL SESSION OF THE COUNCIL FOR TRADE IN SERVICES ON 1 APRIL 2014

Thank you very much Chair. Ambassador Duque, on behalf of our Ambassador it is a great pleasure for us to welcome you and to congratulate you on being nominated as Chair of this Body. We don't want this to mean a complete goodbye to Ambassador de Mateo and we would like to underline his very important work within this body and we would like to wish him every success in his new position with the Dispute Settlement Body (DSB). For the future work of this body, Cuba would like to reiterate its position and indeed those that were expressed on previous occasions by other colleagues.

We believe that the balance between the three pillars in terms on market access and agriculture should continue to be central and indeed a priority of the future work of this organization. Any attempt to make progress within services as part of the post-Bali work programme should be in coherence with the development agenda established in Doha and should not only be limited to issues which are related to market access and in this sense based on the Ministerial Decision in Bali.

We should prioritise the implementation of special and differential treatment for services and service providers of LDCs. With regard to the plurilateral negotiations, we would recall our well known position which states that we believe that these are not compatible or complementary to the negotiations which have been undertaken in the WTO. These are contradictory processes which go against various articles of the General Agreement on Trade in Services specifically articles 2, 5, 8 and 20 amongst others as well as some provisions of the 1994 GATT in terms of transparency. We believe that this is contradictory with regard to the results achieved in Bali which are aimed at ending the Doha Round and in strengthening the Multilateral Trading System and re-establishing the trust and confidence that was lost in this organization.

Once again, Chair, we would like to reiterate our support to you and you can count on our country in searching for the best possible solution for the work of this body of which you take leadership of today.

- 44 -

ANNEX VI

STATEMENT BY SOUTH AFRICA AT THE GENERAL COUNCIL MEETING ON 14 MARCH 2014

Thank you very much Mr Chairman. Director General, let me take the opportunity once again to congratulate you on the outstanding efforts you made to deliver an outcome in Bali, a first major trade agreement since the Uruguay Round, almost 20 years ago. Director General, I have read with interest your speech to the US Chamber of Commerce recently. You are right about US leadership, not just in creating the Multilateral Trading System but also the two other pillars of global economic governance at Bretton Woods; the World Bank and IMF. It is also true that the United States was the driving force in each of the eight rounds of the GATT, from 1947 to the Uruguay Round.

For the majority of developing countries, their experience of this history was rather mixed. The exclusion of Agriculture at the outset of the GATT, at the insistence of the United States and the Common Agricultural Policy in the EEC, blocked out the exports of developing countries. Similarly, the increasing protectionism in clothing and textiles through the shirt and long term textile agreement raised the barriers for much of developing country manufactured exports. The Uruguay Round went some way to address these issues for the first time but many writers, such as Micheal Finger to Joseph Stiglitz have made the argument that the results of the Uruguay Round were imbalanced against developing countries. Mr Chairman, it is for this reason that the Doha Round, the first under the new WTO, was mandated to address these inequities and asymmetries in the current WTO rules. The Doha mandate thus argued that the needs and interests of the developing countries should be prioritized this time.

Director General, your contribution at Bali and that of the Membership as a whole was immense. Bali has indeed deflated the doomsday predictions of the pessimists that the WTO cannot make decisions by consensus, that is that multilateralism cannot work. It is the pessimists that argued that the Doha Round is dead. They have also argued that the new phenomena of global value chains, in the world economy, have rendered tariffs to be obsolete and that it is only services and non-tariff barriers that matter. These analysts thus throw agriculture and the remaining extremely high tariffs, domestic support and export subsidies into the dustbin of history, as they are considered to be yesterday's issues or no doable or realistic. It is amazing also how, rather than criticize those Members who strike major blows against the Multilateral Trading System, these analysts instead urge the protagonists of plurilaterals and mega-bilaterals to impose these outcomes on the rest of the WTO Membership.

Mr Chairman, for the majority of developing countries the Bali outcome was a demonstration of good faith. Their issues were subordinated in the interests of demonstrating that the multilateral system is important to all. They heard the arguments of some that trade facilitation will bring major gains for developing countries, with appropriate scepticism. However, the credibility of the WTO and multilateralism will be tested in the implementation of the post-Bali work program. It is clear that many of the poorest countries agreed to trade facilitation on the understanding that the issues that they have been fighting for, since Doha- 12 years ago, LDC issues, cotton and export subsidies will be addressed as a matter of priority.

Mr Chairman, the world economy has changed; there are several major emerging economies in the developing world. However, the United States remains the largest world economy and emerging countries still development challenges. More than just US leadership will be required to break the impasse of the Doha Round. We all have an interest in building a more open, fair, balanced and inclusive Multilateral Trading System. Let us work together in the next few months to build a new vision for how to take the Multilateral Trading System forward.