



General Council
24-25 July 2014

MINUTES OF THE MEETING

HELD IN THE CENTRE WILLIAM RAPPARD ON 24-25 JULY 2014

Chairperson: H.E. Mr Jonathan T. Fried (Canada)

At the outset of the meeting, the Chairman, on behalf of all the Members, welcomed the Republic of Yemen, which had formally become the 160th Member of the WTO on 26 June. The Director-General and several delegations also welcomed Yemen during the course of the meeting. The Chairman and the Director-General also welcomed H.E. Axel Addy, Minister of Commerce and Industry of Liberia, who was present at the meeting. H.E. Axel Addy¹ and the representative of Yemen² spoke.

In the course of the meeting, the Chairman and several delegations bade farewell to Amb. Syafri Baharuddin (Indonesia), Amb. Shahid Bashir (Pakistan), Amb. Joakim Reiter (Sweden), Amb. Norbert Frick (Liechtenstein), Dr István Béla Pokorádi (Hungary), Mr François Riegert (France), Amb. Walid Mahmoud Abdelnasser (Egypt) and Amb. James Manzou (Zimbabwe) who were leaving their post at the WTO, and expressed appreciation for their valuable contribution during their time as Permanent Representatives.

The General Council took up items 5-13, and Other Business, on 24 July and items 1 to 4 on 25 July.

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¹ The full statement can be found in Annex 1.

² The full statement can be found in Annex 2.

³ The Proposed Agenda was circulated in document WT/GC/W/684.

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1 REPORT BY THE CHAIRMAN OF THE TRADE NEGOTIATIONS COMMITTEE

1.1. The Chairman invited the Director-General, as Chairman of the TNC, to report on the TNC's activities since his last report to the Council.

1.2. The Director-General, Chairman of the TNC⁴, recalled that since the last meeting of the General Council in May, the TNC had held one informal meeting on 25 June 2014. At that meeting, Members had continued their discussions on the DDA work programme, focusing on the three pivotal and interlinked areas of agriculture, NAMA (non-agricultural market access) and services. His statement and the oral reports of all the Negotiating Group Chairs had been issued in document JOB/TNC/39.

1.3. In giving Members the report at the meeting, he was not going to discuss the implementation of the Trade Facilitation Agreement. What would happen there would have a significant influence on the progress that they would be able to make in their other post-Bali work, and particularly on the DDA work programme. But that would be dealt with under a separate item on the agenda. He would focus solely on the encouraging engagement that he had been seeing on the DDA — and which had been increasing throughout the year.

1.4. He thought it had been clear from the discussion they had had at the TNC in June that Members remained committed to advancing the Doha negotiations on all fronts. At that meeting they had heard from all the Chairs on their consultations and plans for future work. The Chairs had each expressed their readiness to continue to provide a forum for Members to engage at a more specific level. Since then, the Chairs had continued to consult delegations in different formats and configurations. His own consultations with Members on the DDA issues had been encouraging.

1.5. In addition to the work he had outlined at the TNC, he had been engaging with many delegations, including the regional coordinators, to seek their views and hear their ideas. This had confirmed his view that Members needed to focus on the three key areas of Agriculture, NAMA and Services in the first instance — but that they also needed to remain mindful of how to move other negotiating issues forward as well.

1.6. He wanted to be clear that the attention on Agriculture, NAMA and Services was not at the expense of other issues. Members had been telling him that that was where the critical logjams were. They would need to be addressed before other negotiating issues could also come into play.

1.7. His discussions with regard to each of the 3 areas had been positive and encouraging, but were still at an early stage. He had welcomed the willingness of Members to think creatively and to be open to new ideas. They also recognized and took account of the significant progress that had already been made in the negotiations thus far, much of it had been reflected and consolidated in the 2008 texts.

1.8. A major challenge would be striking the right balance between Agriculture, NAMA and Services in an overall sense. Members could no longer sidestep the tough negotiating issues — for example, the need to tackle all forms of trade distorting agricultural subsidies; to find market access solutions on agriculture and NAMA; and to look at services in greater depth. They needed to recognize that the 2008 texts would need some adjustment, notwithstanding his belief that much of what was in those texts, including the overall architecture and goals contained in those texts, could still be maintained.

1.9. By talking about Agriculture and NAMA together, he believed Members would be better able to find a way through that conundrum. Trying to sequence the conversation, expecting to solve one issue before they tackled the other, was not going to work. They needed to recognize that the level of ambition in Agriculture would be related in part to the level of ambition in NAMA, and vice versa. The balance would inevitably have some kind of impact on overall ambition.

⁴ The Director-General's statement was subsequently circulated in JOB/GC/69.

1.10. The Chairs had also been actively advancing the work in the negotiating groups. They would circulate fuller reports to Members, as they deemed appropriate, but he provided a brief overview based on the reports of the Chairs to him:

1.11. On Agriculture, since the last TNC on 25 June, the Chair had pursued his informal consultations aimed at clarifying the perspectives that Members had on the way forward for unresolved issues in that area. The Chair had held two open-ended meetings of the Special Session, on 3 July and 23 July to provide for transparency and full participation concerning discussions on the agriculture negotiations, and to provide for an exchange of views on progress towards the work programme mandated at Bali. Two technical workshops had been held by the Secretariat to help deepen understanding at the technical level of issues that had come up in the course of the negotiations so far.

1.12. During the Special Session on 23 July, three proposals had been officially introduced by the G-33 — one on Public Stockholding, one on Special Products and one on SSM. Most Members had used the opportunity to confirm and reaffirm their readiness to engage without delay on the work programme towards the identification of a permanent solution for the public stockholding for food security issue.

1.13. Members had also had a first opportunity to answer questions circulated by the Chair, in advance of the meeting, seeking to further clarify Members' views on key elements in the domestic support and market access pillars, particularly as they related to levels of ambition and flexibilities. The questions concerned those two pillars as recent discussions had highlighted that both areas required more in-depth consideration by Members. The fact that Members had addressed the questions constructively, sometimes in significant detail, had been positive and set the stage for more concrete discussions after the summer break, including on the most challenging issues.

1.14. The focus did not exclude Export Competition or Cotton. Rather, all of the elements within the DDA Agriculture framework were inter-related and there seemed to be a general acceptance that they would need to be dealt with as an overall package.

1.15. In NAMA, an open-ended meeting of the Negotiating Group had been convened on 9 July. The purpose had been for the Chair to report on his consultations and to have an open discussion on the way forward. The Chair's report had been circulated to Members in document TN/MA/26. The focus of his recent consultations had mainly been on those Members that had previously been described as the "formula applying members".

1.16. The Chair had reached the conclusion that, in order to strengthen the process, a meeting of minds among Members on the goal of those negotiations would first be required. For example: *were Members striving to level the playing field in respect of concessions granted by different Members? Did Members want substantial reductions in trade impediments? Or were they seeking a result which would bring more homogeneity and strength to the multilateral trading system?* The Chair had stressed that in establishing such goals Members had had to take into account the assumption of trade-offs between the different negotiating pillars. Some Members had underlined that the aims and ambition of Members had often been different in the 3 key areas of Agriculture, NAMA and Services — which could potentially cause difficulties.

1.17. On Special and Differential Treatment, the Chair of the Committee on Trade and Development Special Session had convened an informal open-ended meeting on 21 July. At that meeting the proponents had informed Members that they had still been working on an overall assessment and review of all the Agreement-specific proposals with the objective of identifying those which they would like to bring to the Special Session. The proponents had indicated that they hoped to complete the exercise soon and to table the results of the work just after the summer break.

1.18. In the other negotiating areas, the Chairs had continued to make themselves available to any delegations wishing to discuss issues or make their views known.

1.19. He was pleased to report that Members had been engaging and, increasingly, they were talking about substance. But, as he saw it they were taking only very small, tentative steps forward. There was an old saying — *you cannot cross a chasm with small steps*. Sometimes one

should take a leap. They needed to be prepared to do that — to go further into the substance of the issues that they had before them and explore possible trade-offs.

1.20. There was a great deal still to be done. He urged Members again to engage directly with each other. They had to start having those tougher conversations — to discuss what they could put on the table that would make trade-offs possible. He asked them to reflect long and hard on what the next steps would be. As they moved forward everyone should be involved in those conversations about the future.

1.21. Members had had a very good level of engagement so far. Whether, and how, that continued was likely to depend on other items on the agenda of the meeting. How they moved forward was in their hands.

1.22. All delegations which spoke thanked the Director-General, Chairman of the Trade Negotiations Committee, for his report.

1.23. The representative of the Plurinational State of Bolivia, speaking also on behalf of Cuba and the Bolivarian Republic of Venezuela, recalled that they had expressed their disappointment on several occasions on the results of the Ninth Ministerial Conference. Developed countries had harvested freely a binding Agreement on Trade Facilitation with the commitment to prioritize issues in the Bali Package where legally binding outcomes could not be achieved. However, Members were witnessing once again that the Trade Facilitation Agreement was almost ready to be implemented without evidence of real progress in other areas in the DDA, especially on issues pending from Bali. Therefore, she said that these delegations had serious concerns in joining the consensus for the adoption of the Protocol of Amendment. The TFA could not be considered an independent agreement whilst there had been no progress on matters of interest to the majority of developing countries. The TFA should be part of the Single Undertaking within the framework Paragraph 47 of the Doha Declaration. Adjusting an imprecision which had not been addressed at MC9 did not constitute re-negotiating what had been agreed upon in Bali, since there had been no mention about whether the TFA would come into force provisionally or on a permanent basis in accordance with the Doha mandate.

1.24. On post-Bali work, she stressed that the DDA was a Round for development, as clearly stated in Paragraph 2 of the Doha Declaration. The work program that Members were to design had to be consistent with that basic principle and objective. Unfortunately, the real concerns linked to development had been set aside on multiple occasions throughout the years. This situation had to be rectified as Members advanced towards completing the Round. Issues related to Development should be prioritised. Development was the objective, and issues related to market access had to be at the service of developmental needs. S&D treatment for developing countries in all areas of the negotiations continued to be crucial and had to be strengthened. Key issues pertaining to development such as S&D treatment and matters relating to implementation, being vital elements of the Single Undertaking, had to be prioritised. In market access negotiations on Agriculture, NAMA and Services, the robust elements of S&D should be considered and agreed, and tariff reduction methods should be in line with the asymmetries and the different levels of development.

1.25. In Agriculture, she reiterated that the Rev.4 of the Modalities Text should be used as a reference point. Developed country subsidies should be effectively disciplined. Export subsidies should be eliminated without any delay as had been agreed in the Hong Kong Ministerial Declaration whilst taking into account the particular situation faced by developing Members in the area of export credits. In some developed countries domestic support translated into the green box and disciplines should be designed so that this did not become trade distorting. The principles aiming at ensuring food security and the subsistence of small farmers should be operative in the Agriculture Modalities. A permanent solution to public stockholding for food security for developing Members should be agreed upon as soon as possible and immediate attention should be given to Cotton.

1.26. Article XXIV of GATT should be amended to allow the insertion of solid S&D rules for developing countries when they entered into FTAs with developed countries. The high subsidies granted to industrial fisheries should be reduced. Developing countries should have S&D treatment allowing them to protect the livelihood of their small fishermen. Issues related to LDCs should be

prioritised in the Round and by the Organization. She welcomed the list of requests in the area of Services submitted by the LDCs which she hoped would be looked into rapidly and effectively.

1.27. NAMA should be guided by the principle of less-than-full-reciprocity and the level of ambition should be guided by that in Agriculture. The economic development and the specific needs of developing countries should be considered in agreeing on tariff levels. The flexibilities in the recognized tariff reduction formula should not be called into question. Rev.3 should be the starting point of the negotiations while observing the less-than-full-reciprocity principle. The sectoral negotiations should take place on a voluntary basis. To achieve a balanced result in NAMA, focus should be given on the mandate to eliminate NTBs. All the proposals submitted by Members, especially by developing countries, should be examined.

1.28. In Services, she reiterated that each developing country was entitled to choose its commitments in GATS given its sovereign right to regulate. Thinking otherwise should be avoided for being prejudicial to development. If Services negotiations were to take place, S&D should be fully taken into account. Developing countries should maintain their public policy areas and their right to regulate their services. Public services including water, health, education, among others, being human rights, should not be part of the commitments in the GATS. TISA should not be negotiated under the auspices of the WTO as it contained elements which run counter to GATS including the negative list approach and the hybrid approach in the standstill clause.

1.29. In the DSU negotiations, proposals submitted by a group of developing countries aimed at improving the implementation of DSB recommendations and decisions should be considered to avoid the extended non-compliance with its decisions. This would contribute to the efficiency of the system and help majority of developing countries which could not resort to retaliation.

1.30. She warned against the risk of plurilateral negotiations which ran counter to the Multilateral Trading System. She reiterated that as long as effective responses to the imbalances left by the Uruguay Round, one could not discuss the so called "21st century issues". Including new issues in the WTO agenda would deviate the attention that priority issues, such as Agriculture, deserved.

1.31. The representative of Indonesia, on behalf of the G-33, emphasised that 'development' was the core of the DDA with S&D treatment as an integral part necessitating the provision of meaningful flexibilities for developing countries "*to pursue agricultural policies that are supportive to their development goals, poverty reduction strategies, food security and livelihood concerns*" as enshrined in the July Framework Agreement of 2004.

1.32. The G-33 underscored the need to preserve the Members' hard-won gains under the Rev.4 Agriculture Modalities text of 2008, and to issue a post-Bali work program based on this. As time was of the essence, the G-33 urged Members to begin re-engaging on the so-called few outstanding issues of the Rev.4 text. The Group was concretely leading the way in the current Agriculture talks by introducing proposed compromises for Special Products (SP) and the Special Safeguard Mechanism (SSM) and its priority elements for a post-Bali work programme.

1.33. The Group urged early engagement on the issue of Public Stockholding for Food Security Purposes, an independent outcome in Bali, to arrive at a permanent solution not later than MC11. It looked forward to and supported the reactivation of their substantive work and intensive engagements right after the summer break, and renewed its commitment to continue making constructive contributions for a post-Bali work program.

1.34. The representative of Brazil, speaking on behalf of the G-20, reiterated its commitment to advance the Agriculture negotiations in accordance with the Doha Mandate and with full respect of the principle of S&D treatment for developing Members. He recalled that the G-20 had always made it clear that the revised draft modalities for Agriculture contained in document Rev.4 were the basis for a successful agreement. A balanced, development-oriented work programme in Agriculture should be aimed at results in all three pillars: Domestic Support, Market Access and Export Competition and should include all of their essential elements. The Group was open, ready and willing to do and urged Members to engage constructively in the discussions of finalising the work programme by December 2014.

1.35. Speaking on behalf of Brazil, he restated Brazil's active commitment to the implementation of the Bali outcomes with a sense of priority across the board and within the agreed timeframes. He announced that Brazil had concluded its internal review of the TFA and would notify its Category A Commitments to the Preparatory Committee on the same day, leaving out only a very limited number of commitments from that Category.

1.36. On the post-Bali work program, the future of the WTO and of the MTS depended on Members producing significant results in line with the DDA. Brazil was ready to take part in the collective effort to design a roadmap that could lead to positive and balanced results by the end of the year, as close to negotiating parameters as it could be accomplished while preserving the importance of development objectives. It was widely accepted, as the Director-General had said, that the work program would have to address the three core areas of Agriculture, NAMA and Services. For Brazil, as stated before, the 2008 modalities had expressed a balance in terms of ambition, a natural reference against which Members could gauge the level of ambition of the work program in all three pillars and among them. Brazil stood for ambitious outcomes in all three pillars of Agriculture. Any adjustment in the level of ambition in Agriculture would necessarily generate adjustment in the same direction and of at least the same magnitude in the ambition of the other components of the work program.

1.37. He said that it was clear that a wide and diverse majority of Members considered that the Rev.4 Modalities text should be the basis for the exercise. All relevant elements in each pillar should be addressed. In Market Access, for example, Members should deal with important issues such as TRQs, Special Safeguards, Tariff Peaks, and Tariff Escalation. Those realities should be approached head on. They should overcome the asymmetries which existed between the level of trade distortion in Agriculture and the other areas of international commerce – the core challenge in moving ahead within a true development round and a necessary accomplishment on their way to reinforcing the MTS, increasing its legitimacy and ensuring that the benefits of trade served the fundamental cause of more equitable development.

1.38. The representative of Kenya, on behalf of the ACP Group, recognized the Director-General's tireless efforts that led to the establishment of the TFA Facility and was deeply grateful to all those donor partners that had signalled their interest in voluntarily contributing resources towards the full realisation of the Facility. The Group supported the statements of the LDC Group, the African Group and the SVEs and wished to emphasize a few points for consideration in the work to define a post-Bali work programme.

1.39. First, the data showed that, for Agriculture, NAMA and Services, very little had changed for most ACP States, including the continued marginalisation of some of its members. Agriculture was a clear priority for its members; accordingly, there were a number of flexibilities which had been supported and negotiated by the Group that should be preserved, including those related to the SVEs, preference erosion, special products and the special safeguard mechanism, among others. A satisfactory solution on Cotton was long overdue and the fast-tracking of the issue in the post-Bali work program should be a priority.

1.40. In NAMA, no significant change had taken place and vulnerability was eminent in relation to preference erosion, the increasing impact of non-tariff barriers, and approaches that could undermine national development and regional integration efforts. There should be full clarity on those issues. The Group looked forward to benefiting from the work of the WTO Secretariat on Non-Tariff Barriers which would provide a complete picture of the elements affecting market access for its products.

1.41. In Services, while the Group's aggregate exports remained flat since 2008 compared to world trade, the sector continued to grow in importance in its economies. The sector was critical for the diversification of its trade and had a clear linkage to global value chains, particularly those with a comparative advantage such as travel and tourism, transport, other business services, and professional services across all modes of supply, especially in Mode 4. Accordingly, the DDA negotiations in Services should be done under the auspices of the CTS-SS. The flexibilities for developing countries and LDCs found in GATS Articles IV and XIX, in the Negotiating Guidelines and Procedures and the architecture of GATS, should be adhered to. The ACP Group was mindful of the negotiations on domestic regulation and other rule-making areas. If work advanced in those areas, the Group would continue to engage on the development aspects. On domestic regulation, disciplines which were of importance to the Group and that had an impact on market access in

Mode 4 and the provision of professional services, such as qualification requirements and procedures and licensing requirements, should be addressed. The new ideas that had been heard so far for the three market access areas raised concerns, as they appeared to undermine the flexibilities. Nevertheless, the Group was comforted that the Director-General had acknowledged that flexibilities for developing countries and LDCs would be key to the conclusion of the DDA.

1.42. Second, the Single Undertaking should be observed in accordance with paragraph 47 of the Doha Ministerial Declaration. Third, as affirmed in the Bali Ministerial Declaration, Development and LDC outcomes should be prioritised, along with Agriculture.

1.43. The Doha Declaration mandate in Paragraph 44 on S&D treatment remained central in concluding the Doha Development Round. This should be observed with the resolution of the original 88 proposals still on the table representing clear value to developing countries and integrating LDCs into the MTS. On LDC outcomes, the Group urged Members to ensure meaningful participation in the high-level meeting in six months' time and to provide specific preferences in response to the LDC collective request submitted pursuant to the Bali LDC Waiver Decision.

1.44. Speaking on behalf of Kenya, he supported the G-33 statement issued by Indonesia.

1.45. The representative of Uganda, on behalf of the LDC Group, said that the LDC Group was committed to only one thing – the conclusion of the Doha Round with development at the centre. He recalled that in the past seven months no substantive movements had been made on the second track of the Bali mandate and that Members were at a critical stage, where they had entered plurilateral engagements that were preoccupying them more and that were promising more value than the Organization. The Group's concern was that the work program that Members were trying to develop should have facilitated LDCs in achieving special and differential trading rights that contributed to development. Ministers in Doha had recognized the need to benefit from the increased opportunities and welfare gains generated by the MTS. The post-Bali work programme could yield those benefits by facilitating LDCs in achieving S&D trading rights. However, for the past seven months, no substantive movement had been made on the second track of the Bali mandate with Members preoccupied in plurilateral engagements that promised more value. The Group urged Members, majority being developing and least-developed countries, to put their needs and interests at the heart of the post-Bali work program.

1.46. The Group noted the positive indication and commitment from Members to advance the negotiations under the DDA. Focused discussions on the work program on the remaining DDA issues should begin particularly on its elements and structure. It was clear from consultations that Agriculture, NAMA and Services would be important and indispensable elements of the work programme but LDC specific issues and development should also be part of it. He stressed that the Secretariat should be asked to initiate a draft of the areas that had been identified by the Members, which required additional information, and the type of information needed, to dedicate the period beginning in September to filling the gaps and recalibrating the level of ambition where necessary. Not much progress had been made on the public stockholding mandate for a permanent solution. Work should be initiated to begin to define the contours of possible compromises in that important topic of food security.

1.47. The Rev.4 and Rev.3 Add.1 Modalities Texts should be the basis of the negotiations. Some Members had expressed difficulty on the issue and the onus laid on them to explain their reasons. There should have been balance among Agriculture, NAMA and Services in the broader game of the DDA. However, LDC issues should be fast-tracked and not be held hostage to the balancing game. Development should be the centre of all the negotiations and the principle of the Single Undertaking should be preserved in line with Paragraph 47. Members should focus on concluding the DDA without introducing new issues. Language on S&D treatment for LDCs and developing countries should be preserved or improved upon. Further, the Group was interested in discussions on domestic support, especially those that distort the market, and export competition in line with the Hong Kong Ministerial Declaration. Solutions on food security should not impede in any way the capacity of LDCs to secure food for their people at any point in time.

1.48. With regard to NAMA, LDCs were not required to make any tariff cuts. However, any market access scheme embodying tariff cuts should be designed in such a way that was commercially meaningful to LDCs. A credible outcome on non-tariff barriers and related initiatives, particularly

rules of origin, would be vital in ensuring market access for LDCs. Negotiations should result in boosting the supply capacity of LDCs. Any initiative in breaking the stalemate in NAMA negotiations had to insure that policy space necessary for the growth of the Group's infant industry was preserved. The fundamentals of Rev.3 had to be preserved, particularly in keeping the sectorals voluntary.

1.49. On special and differential treatment, work should proceed along the lines enshrined in para. 44 of the Doha Ministerial Declaration. The Group looked forward to continue reviewing S&D provisions to strengthen them and make them precise, effective and operational.

1.50. The Group welcomed the first dedicated meeting of the Special Session of the Committee on Agriculture on trade-related aspects of Cotton, hoped that those negotiations would lead to tangible results giving greater confidence in the MTS, and invited the key players to remain engaged in a constructive manner. Cotton was the human face of the MTS.

1.51. The LDCs focused on the content of the agreements that should translate into positive outcomes for their trade and trade balance, improvement in production and supply capacity, and increased employment and incomes of their people. This Organization should emulate an inspiring ASEAN philosophy – *Prosper thy neighbour!* The WTO should deliver for all.

1.52. The representative of Lesotho, on behalf of the African Group endorsed the statements delivered by Uganda for the LDC Group and Kenya for the ACP Group. He stressed that the development dimension should be at the heart of every negotiated outcome. The launch of the TFA Facility had marked WTO's recognition of its share of responsibility in particular in following up on the implementation of the negotiated outcomes for the benefit of developing countries and LDCs. This was a welcome step not only for responding to the call by the Malabo Summit of the African Union for clear funding mechanisms, but also because it integrated the development dimension into the heart of WTO's work.

1.53. Nevertheless, since the inception of the DDA, the prominence of the development dimension had been gradually fading away with each passing WTO Ministerial Conference. The recent post MC8 oscillation of LDC issues from being at the centre of negotiated outcomes to being at the periphery of Members' priorities bore testimony to that fact. A paradigm shift was necessary to bring back the development dimension to the centre of negotiations underlying every negotiated outcome for the benefit of developing and LDC Members, particularly the African Countries. Like a baton, development should be carried through and not be dropped at any point along race.

1.54. The mandate for the DDA negotiations should be fully respected and implemented. For the African Group, the Doha Ministerial Declaration remained the custodian of both the guiding principles on the conduct of DDA negotiations and the share of responsibilities to be shouldered by Members. Once again, the Group cautioned against attempts to rewrite the Doha Ministerial Declaration under the guise of developing a DDA work programme. The WP should be characterised by the principles of less-than-full-reciprocity, S&D treatment and Single Undertaking. Those principles should remain indelible as long as the Doha Ministerial Declaration continued to subsist.

1.55. The 2008 texts, in particular Rev.4 of the Agriculture Modalities and Rev.3 NAMA Modalities, should be the basis for the negotiations. The African Group joined the majority of the Members who shared the position but was not in denial of the negotiation gaps that existed amongst Members. It would be inconceivable to expect a changed position in the absence of credible and convincing alternatives by Members who had questioned the validity and legitimacy of both Rev.4 and Rev.3 texts. The Group had taken note of ideas flagged by some Members albeit leaving a lot to be desired owing to clear deficiency of concrete details and justification on what was being proposed. On the surface, those ideas raised some concerns as they seemed to point to a low ambition outcome of the DDA negotiations. Some implied changing the rules of engagement on which market access negotiations and other pillars of negotiations had long been premised since the GATT days. The priority of the Group in that context was that the flexibilities captured in the 2008 texts should be fully preserved.

1.56. Full priority should be given to Bali outcomes where binding outcomes had not been achieved. Once again, the African Group wished to sound a clarion call to all Members to translate

the commitment by Ministers in Bali into constructive engagement on non-binding Bali outcomes. The Group welcomed the submission by the LDC Group of the Services Waiver Collective Request and entreated all Members to respond positively and meaningfully to that ground-breaking initiative by the LDCs Group. By the same token, the need for a positive and meaningful response to other non-binding issues of interest to developing countries could not be overemphasised. Forum-shifting remained a concern, particularly to the extent that the DDA negotiations had been compromised and that was still a grey area. Mega RTAs and plurilateral negotiations undertaken outside the DDA framework would inevitably affect the DDA negotiations and developments in those areas should be closely monitored.

1.57. The integrity of the WTO as a forum for principle-based negotiation should be preserved. Full inclusiveness and transparency should be ensured in the negotiations. Falling short of that, suspicion and lack of faith in the consultation process would be the order of the day. Therefore, pre-emption of negotiations should be avoided at all costs and outcomes should be fully negotiated and based on consensus. Adhering to those principles would be sine qua non to guaranteeing that every Member mirrored oneself in the negotiated outcomes.

1.58. A spectre of market imperfections, some of which had been codified in the architecture of international trade rules, had riddled the international trading landscape. The Ministers had judged it prudent that the DDA negotiations should result in overarching reforms that would level the playing field, particularly in the area of Agriculture. The existence of NTBs was an area that was rendering securement of a significant market share in international trade by developing and LDC Members – a red herring. An outcome in that area would go a long way in ensuring profitable participation by African Countries in international trade.

1.59. The representative of the Dominican Republic, on behalf of the IGDC, said that the developing countries agreed that in the negotiating work in the WTO, three important thoughts should always be kept in mind: first, the importance of the WTO for the MTS. Accordingly, all efforts should be focused on strengthening the institution. Second, developing countries attached the utmost importance to a successful conclusion of the DDA. Third, with development being a central element of the round, the Group hoped to see a balanced outcome with due regard to the development dimension of the negotiations on all three pillars – Agriculture, NAMA and Services. The Group urged Members to engage seriously in finalising the work programme for the conclusion of the DDA including all elements of the Bali Package taking into account the concerns of all developing and LDC Members. The Group also congratulated the Director-General for the launch of the TFA Facility which would greatly benefit developing countries.

1.60. The representative of Chinese Taipei, on behalf of the RAMS Group, reaffirmed its commitment to the MTS and looked forward to working closely with all Members to drive ahead and make progress on the post-Bali work program in the second half of the year. Speaking on behalf of Chinese Taipei, she expressed appreciation for the efforts of the Director-General, the Chairs of the relevant bodies and fellow Members in getting the post-Bali work in the right track. She said that although the pace varied according to the issues, they were signs of movement in the right direction. For example, she welcomed the list of collective requests tabled recently by the LDC Group designed to act as a catalyst to accelerate the Bali Decision on the Operationalization of the LDC Services Waiver. She appreciated the progress made on the Preparatory Committee on Trade Facilitation under the Chairpersonship of Amb. Conejos and the tireless efforts of the Director-General at integrating all resources in materialising the TFA Facility initiative. It had been seven months since the Bali Ministerial Conference, where Members had demonstrated to the world that the MTS was working and that the Organization was capable of responding to the changes and challenges that global economy had to face. Members should keep the spirit and momentum going, redouble their efforts to respect the mandated timeframes and continue working towards the holistic implementation of the Bali Ministerial Decisions.

1.61. The representative of Guatemala, on behalf of the SVEs, reiterated the SVEs' interests and expectations on the way forward and thanked all the delegations that had demonstrated their support to the SVEs throughout the process, recognizing the special and difficult challenges they had had, were having and would be facing. In spite of the undeniable circumstances, SVEs remained committed to work in the MTS with an active, constructive and pragmatic approach. In moving forward the post-Bali work programme and the successful conclusion of the Doha Round, a more sustainable and helpful approach would be to gain continuous support from the Membership

in recognizing S&D Treatment and maintaining the necessary flexibilities for the SVEs. The Group would continue with its active engagement in the process.

1.62. The representative of Saint Lucia, on behalf of the Caribbean Community (CARICOM), said that the Caribbean Community placed utmost priority on the completion of the entire DDA as Ministers had instructed, in addition to the fulfilment of the MC9 mandate. Therefore, the achievement of a well-defined post-Bali work program by the end of the year was critical. CARICOM was aware of on-going small group meetings of major delegations, and in that regard appreciated the transparency efforts of the various negotiating Group Chairs. However, based on those reports, the Group continued to be concerned by the little progress made concerning the development of a work programme since substantive work had yet to materialise.

1.63. CARICOM placed utmost significance on the centrality of development in the Round. The Group had maintained the position that the stabilised flexibilities for SVEs in the current Agriculture and NAMA draft texts and the reflection of appropriate SVE flexibilities in the other negotiating areas should be preserved. On the SVE NAMA flexibilities, at the previous Negotiating Group Meeting, CARICOM had been concerned by comments by one major Member regarding its reluctance at that stage, to agree to SVE flexibilities unless commitments from larger developing countries were attained. As small economies, the SVEs had expended a lot of negotiating capital to arrive at those flexibilities, and CARICOM urged that they not be reopened. Moreover, adherence or preservation of the SVE flexibilities thus far agreed would be a sign of good faith and commitment, and a down payment on the principle of development as built in the DDA mandate.

1.64. On Development, CARICOM reiterated the importance of work therein in line with paragraph 44 of the Doha mandate. The Group looked forward to positive engagement on addressing the Cancun and other S&D proposals, and their prioritisation in the work program that needed to be developed. Despite remaining positive on the outcomes for work on the Monitoring Mechanism in the CTD Dedicated Session, based on written submissions, CARICOM had started experiencing some inertia owing to some comments prejudging the outcome of the MM process, well ahead of any actual submissions.

1.65. On Services, CARICOM preferred a multilateral approach towards the negotiations, and reiterated the GATS framework, in particular Article XIX. The Rules dossier did not feature in the current core negotiations, but as majority island economies, it would be remiss of the Group not to highlight the importance of the fisheries sector on poverty eradication, employment generation and rural development. Thus, fisheries subsidies should also be given due consideration.

1.66. Time was not on Members' side but CARICOM remained hopeful that meaningful progress on the core issues would be made swiftly in an effort to establish the Work Programme by the timeline specified towards the fulsome completion of the DDA, restoring the WTO's waning credibility. The Group associated itself with the statements by the ACP, G-33 and SVE Coordinators.

1.67. The representative of the Kingdom of Saudi Arabia thanked the Director-General for his tireless efforts and for his valuable report

1.68. The representative of Nigeria agreed with the Director-General that implementing the Bali Decisions and the early conclusion of the Doha Round with balanced outcomes should remain a top priority for all Members. He believed in the ability of the MTS under the Director-General's dynamic and focused leadership to promote global trade that would impact positively on the economies of all Members, especially the developing Members, LDCs and the SVEs. He reaffirmed Nigeria's commitment to engage constructively and productively with other Members to come up with a clearly defined post-Bali work programme by December 2014 as directed by the Ministers at MC9. To that end, he urged Members to build on the outcome of the MC9 by implementing the decisions as a matter of priority. Members should build on the momentum and focus on the post-Bali work programme with an open mind. He agreed on the need to a realistic and pragmatic approach, bearing in mind the centrality of development and underlined the importance Nigeria attached to the principles of inclusiveness, transparency and bottom-up approach. Balance should be struck considering the interests of all Members. Given the commitment of the Round to development, the specific needs of developing countries particularly the LDCs should be at the core of the post-Bali work programme including the deliverables.

1.69. He reiterated the following: the need for horizontal balance across the three core pillars of the DDA negotiations – Agriculture, NAMA, and Services; the relevance of the principle of Single Undertaking as the only principle that could ensure the right balance among the outcomes of the Doha Round as confirmed under Paragraph 47 of the Doha Ministerial Declaration; the need to acknowledge and preserve the work that had been accomplished since the beginning of the Doha Round, in particular the 2008 Modalities texts Revs.3 and 4 on Agriculture and NAMA, including their respective flexibilities for developing countries; while Nigeria was open to exchange ideas or information on wider global issues impacting trade, no new issues should be added to the WTO mandate before concluding the Doha Round; and, the centrality of Development and Agriculture.

1.70. On Agriculture, Nigeria believed that the Rev.4 Modalities Text should form the basis for negotiations prioritising Cotton consistent with the 2005 Hong Kong Mandate. Despite differences in agricultural systems, which should be respected, Members should also pursue agricultural policies supportive to development goals, poverty reduction strategies, food security and livelihood security as provided in the July 2004 Framework. The preamble of the Agriculture Agreement also acknowledged that S&D treatment for developing countries was an integral element of the negotiations taking into account the possible negative effects of the implementation of the reform programme on least-developed and net food-importing countries. He observed that there were still diverging views on the appropriate provisions for S&D treatment, including the extent and the ways of taking into account non-trade concerns such as food security, livelihood and poverty alleviation as well as rural development.

1.71. On Services, he noted with concern the lack of negotiating traction in the Services pillar and the disengagement by Members. His delegation could not overemphasise the critical importance of Services to its economy, following the recent rebasing of its GDP, with the sector accounting for 50.22% of its GDP. To that end, he shared the view that Services negotiations, as one of the core pillars, should be resuscitated in the CTS-SS in accordance with the 2001 Negotiating Guidelines and Procedures, while at the same time preserving the architecture of the GATS. It was by doing so that a balanced and horizontal assessment across the three core pillars could be meaningful.

1.72. On Trade Facilitation, he thanked the Director-General for addressing the specific concerns and challenges that some of the developing countries, LDCs and SVEs could likely face in implementing the TFA, not minding the provision of Section 2 and its associated flexibilities. The launching of the TFA Facility testified to the Director-General's creativity, responsiveness to the genuine concerns of the Members and unwavering commitment to the MTS. His delegation joined others in commending the Director-General for this unique and laudable initiative and in thanking the donors for their generosity. He expected the launch of the Facility to provide reasonable comfort to developing countries and LDCs in implementing the TFA upon its entry into force. With the support of the WTO Secretariat and EU through GIZ, Nigeria had held a National Validation Workshop in Abuja on 9-10 July 2014, to review the previous Trade Facilitation Needs Assessments conducted in 2008 and 2013. That had kick-started the process of notifying Nigeria's Category A commitments to the WTO in a timely manner. He hoped to notify in due course after securing cabinet approval.

1.73. Nigeria, as a friend of the system, supported the joint statement released the previous day by a group of some developed and developing countries, reaffirming the need to implement what Members had agreed in Bali, including the timeframes. Efforts should be redoubled to find a way of moving the process forward to adopt the protocol relating to the TFA by 31 July 2014 as agreed in Bali enabling Members to move ahead with the other elements of the Bali Package and put them back on track towards concluding the DDA negotiations.

1.74. Confidence and trust within the entire WTO Membership should be built by ensuring that all issues remained on the table, while technical work, based on consensus, should continue especially in the areas lagging behind. Nigeria was therefore committed to advancing work in all areas particularly on development and other core issues and reaffirmed Nigeria's position that agricultural trade reform remained central to the development mandate of the DDA. All the major players should show leadership and exercise the requisite flexibilities to unblock the persisting stalemate and allowing a successful and early conclusion of the DDA negotiations. Nigeria supported the statements by the Coordinators of the African Group, ACP Group, G-33 and G-20.

1.75. The representative of Solomon Islands aligned with the statements made by the Coordinators of the ACP and LDC Groups. The reason why most LDCs and developing countries like

Solomon Islands had agreed to launch a development round in Doha soon after the conclusion of the Uruguay Round was because of S&D, Implementation Issues and Agriculture. To correct the imbalances and asymmetries brought forward from the previous round, Members agreed on the DDA - the Declaration where everyone had agreed having a stake in, the source of the mandate to negotiate the TFA, and Paragraph 47 of which underlined the Single Undertaking Principle.

1.76. Everyone knew what had happened in 2008 and then Bali had come. Months before Bali, the message was that the Bali Package was important to bring back confidence in the MTS. Members had agreed on a Bali Package with a legally binding full-fledged TFA. The 28 Cancun proposals had been dropped at the last minute because Members could not come to consensus. LDC issues had been non-binding and with best endeavour language and the Public Stockholding for Food Security only had a temporary solution. Ministers in Bali instructed the TNC to prepare within the next 12 months a clearly defined work program on the remaining DDA issues, building on the decisions in Bali especially on Agriculture, Development and LDC issues. She sincerely hoped that after the preoccupation on Trade Facilitation for the previous six months, Members should seriously turn their attention to more focused discussions on the other issues in the Bali Package. The committees overseeing the other Bali decisions should therefore begin serious negotiations to arrive at legally binding outcomes and the PCTF should continue the discussions in drawing up the Protocol of Amendment. Six months after Bali, Members were hearing that it was either TF or nothing despite Paragraph 1.11 of the Bali Ministerial Declaration stating "*Issues in the Bali Package where legally binding outcomes could not be achieved will be prioritised.*" Even after Bali, the imbalances were still glaring. She asked how much more would developing countries, especially the poorest, have to pay before they could integrate into the MTS and get some share of those promises?

1.77. The LDC Group had submitted to the Chair of the Council on Trade in Services a collective request to operationalise the Services Waiver. She hoped developed and developing Members in a position to do so could display commitment to provide meaningful market access for LDC service providers and suppliers under the Waiver. On the other LDC decisions, she looked forward to any movement on Rules of Origin and continued to extend her appreciation to Members who had already given 100% DFQF market access for LDCs. The simplification of Rules of Origin would greatly aid LDCs in benefitting from that opportunity.

1.78. On the post-Bali work program, Development should remain central to the round. Her delegation underscored its importance to the vast majority of Members. At the 25 June 2014 informal TNC, the Chairman had mentioned that the core issues emerging from discussions were Services, Agriculture, and NAMA. S&D and the implementation issues should also be core elements of the post-Bali work program in line with Paragraph 44 of the Doha Declaration. Solomon Islands, as an island country, wished to see in the work program Rules Negotiations on Fisheries Subsidies and Non-Tariff Measures, those being issues of significant national interest. Work of the TNC should be transparent, inclusive and Member-driven, and decisions should be done by consensus being the only way effective engagement could be had by minute delegations like Solomon Islands.

1.79. The representative of Qatar realized that the momentum achieved at Bali was starting to fade. Members should be optimistic in moving towards the December deadline. Ongoing plurilateral approaches risked being a cause for imbalance going forward with the Doha Round negotiations. While Members were at the stage of outlining desirable and doable outcomes, inclusiveness and the spirit of the multilateral approach at the heart of the WTO needed to be preserved.

1.80. On the work programme, he encouraged Members to start serious discussions on the final status of the modalities texts especially in Agriculture and NAMA. Special attention should be given to S&D treatment and flexibilities for developing countries. His delegation believed that with the adoption of the TFA, the fundamental equation of negotiations had changed. Members should not fall back to the same methods which had yielded limited results, especially in tabling concrete proposals for the work programme. Moreover, there should be an innovative approach in sequencing the negotiations and issues embedded in the work programme. Furthermore, discussions should progress on outlining the level of ambition required for a balanced and fruitful DDA and on the current status of Paragraph 47 in light of the TFA. His delegation regarded Paragraph 47 of the Doha Ministerial Declaration, the basis of Single Undertaking, as the most balanced and just principle that would lead to a successful conclusion of the DDA. Members should

agree on a balanced approach among and within the three pillars – Agriculture, NAMA, and Services - and across other negotiating issues.

1.81. Trade Facilitation continued to serve as a reminder that if Members did not push red lines and instead worked collectively, they could get results. He informed Members that the State of Qatar had notified the Preparatory Committee of its Category A commitments designating all but one provision under said Category. The State of Qatar re-emphasized its commitment to work actively with all Members to come to a balanced, constructive and doable work programme.

1.82. The representative of Papua New Guinea expressed his delegation's commitment and support to expedite the implementation of the TFA following the Ministerial Decision in Bali. However, the Chairperson of the TF Preparatory Committee, Amb Esteban Conejos (Philippines) was still being challenged in securing convergence from few Members to move the work forward on the Amendment Protocol. This concerned Papua New Guinea given its potential to compromise the progress for the timely implementation of the TFA as Trade Ministers had directed. Paragraph 47 of the DDA provided Members the opportunity to progressively address all outstanding issues in a gradual manner as seen in the TFA. This momentum should allow Members to move forward in addressing the core elements of the DDA including Agriculture, Services, NAMA and other DDA issues. Paragraph 47 should be respected with a firm intention of achieving something in the DDA.

1.83. He informed Members that his delegation was preparing to implement the TFA on a definitive basis being important to its self-improvement. The developed and some developing countries were already at par with their Trade Facilitation compliances, which had significantly reduced the cost of doing business at and behind their borders. Similar positive stories had been shared by some developing countries in a TF implementation workshop held in May at the WTO confirming that TFA could also address his delegation's concerns. He thanked the Director-General for launching the WTO TFA Facility that would greatly assist developing country Members including Papua New Guinea in implementing their Category C obligations.

1.84. With respect to the post-Bali work program, he urged Members to build on the success of Bali and work along the guiding principles as provided by the Director-General in his various statements in the past. He subscribed to the DG's call for the collective efforts of Members in finding solutions that would timely conclude the Doha Round. While pondering on what to include in the post-Bali work program, he encouraged developed countries and emerging economies to favourably consider workable solutions that the ACP, SVE and LDC Groups would be putting on the table. His delegation looked forward to the positive conclusion of the TFA ratification and subsequent implementation, the implementations of the other Bali Decisions, and constructive progress on the post-Bali work program.

1.85. The representative of Argentina endorsed the statement by the G-20. Trade Facilitation was not the only agreement from Bali that had deadlines – the deadline for establishing a post-Bali work programme was at the end of the year. Even though it had been obvious that the post-Bali work programme's level of ambition would be determined by Agriculture, a real process that would allow Members to achieve that goal still awaited. The extent Members should adjust their agricultural policies to the Round's agricultural mandate remained unclear. Consultations in Geneva should accelerate to start defining concrete aspects of the post Bali work program.

1.86. He welcomed the fact that most Members, including some of the largest ones, agreed that export competition was the most stable pillar. On domestic aid and market access, the Chairman had asked for alternative approaches, on whether some aspects of the previous negotiations should be revisited. As to domestic aid, he hoped to hear concrete, specific alternatives to the provisions of the fourth revision, as up until that point, he had been confronted with generalities. On to market access, even though a Member had mentioned a "simplified approach" based on average cuts, concrete details had yet to be seen. Did the approach mean, for example, that Members would not designate "sensitive" products? That quotas would not be created? He believed that market access negotiations under the three pillars of the Round should be held in a single forum for negotiation, enabling the evaluation of a request and offer approach. Argentina favoured a permanent solution to public stockholding for food security purposes and would like an efficient process that would not duplicate efforts or undermine the negotiations on the three pillars. The mandate referred to a specific programme on public stockholding for food security purposes in

accordance with the Bali mandate. An outcome on the issue could not be part of a deal that would lead to greater flexibilities for developed countries.

1.87. On NAMA, in the meeting of the Negotiating Group held on 9 July, some delegations put forward for the first time issues they would and would not be willing to consider under the work program. In his report to the General Council dated 14 March (JOB/GC/62), the Chairman of the Negotiating Group had suggested beginning a process based on the question "*How and under what circumstances could Members contribute to a meaningful NAMA result?*" taking into account past experiences, current realities and instruments that could be used. On tariff reductions Argentina favoured a menu of options instead of a general formula and preferred a request and offer approach. He reiterated that the development focus meant enabling developing countries to exercise their right in adopting decisions on the commitments they believed were in line with their developmental, financial and trade needs. The developed countries had had a significant amount of time during the successive rounds of negotiation to gradually reduce their tariffs in accordance with their own economic growth from the launch of trade negotiations in 1947 until the 1970s, and had never been subjected to a Swiss formula until the Doha Round. The post-Bali work program should offer flexibility to the developing countries allowing them to choose between alternative methods of reduction, and should not be expected to make commitments conflicting with their needs, situation and particular problems.

1.88. On Services, Argentina had placed utmost importance to the link between Services and the other pillars. In the Hong Kong Declaration, Members agreed that the final draft of services commitments could be submitted only after agreeing on the modalities in Agriculture and NAMA and submitting the final commitments. Consequently, Services negotiations would conclude only at the same time as in the other pillars, when Members' level of commitment had been made clear. Lack of progress in its areas of interest, such as Agriculture concerned Argentina. Agriculture was not comparable to NAMA or Services in terms of the level of liberalisation. For similar results in those three areas, the greatest effort would have to be made in Agriculture. The post-Bali work program should be drawn up based on the DDA aimed at determining how to tackle the outstanding issues from the Doha Agenda not addressed in Bali and considering the needs of the developing and LDC Members. To work constructively with the GC Chairman, the TNC Chairman and the Negotiating Group Chairs, discussions should begin. Argentina was prepared to contribute ideas for Members to achieve a balanced outcome consistent with the Doha mandate and its development focus.

1.89. The representative of Paraguay noted that the recent meeting of the Special Session of the Committee on Agriculture had been rich in contributions and sincere discussions – a positive trend which could have begun sooner but which clearly showed Members' renewed sense of urgency and readiness to engage in detailed discussions on the content of the work programme. The elements of the programme should be defined within the next three months ensuring the fruitfulness of negotiations leading to substantial and predictable improvement in market access, equal reduction in trade distorting support across the board and elimination of all forms of export subsidy.

1.90. In market access, the cutting formulas should be maintained to even out Members' tariff structure. Paraguay was concerned about recent proposals affecting the Uruguay Round commitments and ring-fencing trade from any progress made in Doha. The development concept was broader than mere flexibilities not to apply rules. To promote development and alleviate poverty, the WTO could offer the creation of trade opportunities, and more effectively, new trade flows. The Doha Round should increase Members' business opportunities. The increasingly fewer distinctions in business between North and South and the vast potential offered by the developing countries should be reflected in the trade rules that could be adopted in the years to come.

1.91. Discussions should be sufficiently informed, enabling Members to take firm steps and provide necessary flexibilities in all areas especially in the work concerning public stockholding. The proposals should be consistent with the reform objectives leading to fair and market-oriented rules. Paraguay was ready to work in search of a balance between Agriculture, NAMA and Services aiming at improving market access in all three pillars and promoting predictability that could be achieved only by reducing and/or eliminating distorting measures.

1.92. The representative of Egypt associated with the statements made by the African Group and the G-20 and supported those made by the LDC and ACP Groups. Egypt remained committed to the MTS. A successful conclusion of the DDA would ensure the integrity and credibility of the WTO.

Streamlining of development into the architecture of the MTS, being the main objective behind the initiation of the Doha Round should be reflected in the post-Bali work program.

1.93. The negotiations on the three pillars - Agriculture, NAMA, and Services - should be guided by the Single Undertaking principle – the only way to ensure an equitable balance among the potential outcomes of the Round. The tendency to neglect the 2008 Modalities Text in Agriculture and NAMA concerned Egypt for they addressed some systemic imbalances such as those inherent in the Agreement on Agriculture. A successful and development-oriented outcome of the DDA would need concrete and tangible results on Agriculture. Egypt appreciated that the architecture of the 2008 Modalities Text in NAMA incorporated the principle of less-than-full-reciprocity and the S&D treatment for the developing countries and LDCs, and did not prescribe a one-model-fits-all-approach. NAMA negotiations should be conducted within that framework. On Services, the relevant negotiations should tackle the areas of interest for the developing countries, particularly Mode 4. Egypt could not go along with any selective approach to identify specific sectors for liberalisation that did not include the developing countries' priorities. The negotiation in CTD-SS should be guided by Paragraph 44 of the Doha Declaration stipulating the strengthening of S&D treatment provisions in the multilateral trade agreements making them more effective, operational and precise. The African Group was conducting internal consultations to identify S&D provisions that could be included in the post-Bali work program.

1.94. The WTO could not be viewed only from the narrow perspective of Bali implementation – DDA being broader than Bali. Members' concerns should be seriously and fully considered, and the "blame game" should be avoided. Egypt stood committed to constructive discussions on the elements of the post-Bali work program and would work on "doable deliverables" provided that the basic developmental objectives be inherently integrated and adequately addressed in all negotiating areas.

1.95. The representative of Zimbabwe associated with the statements made by the African Group, the ACP, G-33, G-20, LDCs and the IGDC. Zimbabwe was deeply concerned about the uneven progress and overall imbalance between work on Trade Facilitation and the drawing up of a DDA work programme as mandated by Ministers in Bali. Despite being more than halfway through 2014, Members still had not found common ground on elements of the work programme within the three main pillars: Agriculture, Services and NAMA. While data was useful for information, it should not be a precondition for substantive work on DDA tasks mandated. The development objectives in the form of S&D treatment provisions within the NAMA and Agriculture pillars could not be met as some Members had relegated the importance of the 2008 Modalities Texts in Agriculture and NAMA to mere reference documents. It was important for Zimbabwe to stress that the elements and flexibilities for developing countries already stabilised in the two Modalities Texts were not a new phenomenon and should be preserved. They were a translation of the DDA mandate, and therefore a legitimate and valuable basis for future work, and should be operationalised. It was imperative that the DDA work programme should have a development phase and discussion should wholly be reopened on outstanding issues in the modalities text. Not using these modalities texts as bases for future work could jeopardize an effective and successful DDA outcome as the aspirations of the majority of developing countries would not have been taken into account.

1.96. Agriculture being central to the Doha Round, Zimbabwe looked forward to constructive engagement by Members in seeking an effective permanent solution to the food security problem, the preservation of the special products provision and the development of an effective and operationally usable SSM as proposed by the G-33. The LDC issues, including Cotton, remained important and should be prioritised. His delegation remained committed to implementing all Bali Decisions while maintaining the centrality of Development and Agriculture in the Doha Round and the balance between development issues and trade facilitation. Ministers in Bali prioritised the implementation of non-legally binding outcomes, namely LDC and Cotton issues, a permanent solution for public stockholding for food security purposes, and export competition issues. It was however regrettable to note that no priority had been given to the implementation of these Bali outcomes. Thus, the G-33 proposal on public stockholding should be prioritised to find a permanent solution to the food security problem. On export competition, the December 2013 deadline to eliminate all forms of export subsidies and the January 2005 deadline to conclude the DDA had both been missed demonstrating lack of commitment to development issues and lack of overall balance in the negotiations. Members should implement all Ministerial Decisions giving

priority to outstanding deadlines. It was time to correct the imbalances without introducing new issues to the negotiating table during the lifespan of the DDA.

1.97. The representative of India said some Members spoke of a credibility crisis facing the WTO but India's diagnosis of the cause was quite different. India believed that the failure of the WTO to work in the interest of all its Members and to deliver meaningfully on the "development" mandate of the Doha Development Round would pose a far more serious risk to its credibility than any other factor.

1.98. In Bali, Members had signalled to the rest of the world that the WTO was capable of delivering outcomes – an objective of strong systemic importance. Developing countries had accepted the Bali package in good faith, reassured by the renewed affirmation of commitment to the Doha Development Agenda and its development dimension. But India's expectations had been completely belied by the developments after the Bali Ministerial. As it had been consistently pointing out, India was seriously concerned by the lack of progress on some of the Bali outcomes and minimal movement on the others. Although discussions on the DDA work programme - the timeline for which was December 2014 - could have started for the sake of form, Members seemed to be repeating past mistakes. A clear will to engage in areas of interest to developing countries was conspicuously absent. To make matters worse, persistent efforts were being made to subvert the mandate by divesting it of its core elements.

1.99. While meetings had taken place on some of the Bali issues, they had not even resulted in the contours within which those issues were to be further discussed and resolved. Discussions on the Bali Decision on public stockholding had not even commenced despite repeated requests by the G-33 and the proposals already on the table. Some of the LDC issues had been similarly left behind. Members had just heard similar concerns being raised by the LDC, ACP and Africa Groups. As a consequence, even seven months after Bali, they did not have the required confidence and trust that there would be constructive engagement on issues that impacted the livelihood of a very significant part of the global population.

1.100. Having signed on to the Ministerial Decisions in Bali, there should be no doubt about India's commitment to those Decisions including the Trade Facilitation Agreement. All India was asking for was that the public stockholding issue, as well as other decisions of Bali, be taken forward in the same timeframe as Trade Facilitation. The issue relating to public stockholding was an agreed part of the 2008 text and represented a life and death situation for a number of developing countries and LDCs. There were already proposals on the table – reiterated recently in a fresh submission by the G-33 – on the basis of which discussion could begin immediately.

1.101. India believed that it was a simple issue which could be addressed very quickly. That was important, so that the millions of farmers and the poor families who depended on domestic food stocks would not have to live in constant fear. To jeopardize the food security of millions at the altar of a mere anomaly in the rules was unacceptable. India was of the view that the Trade Facilitation Agreement should be implemented only as part of a single undertaking including the permanent solution on food security.

1.102. In order to fully understand and address the concerns of Members, India was of the view that the adoption of the TF Protocol should be postponed until a permanent solution on public stockholding for food security was found. In that context India had suggested a modification to the Protocol in the Preparatory Committee and stood by that proposal. The Bali outcomes had been negotiated as a package and had to be concluded as such. Timelines were important but they could not afford to act in haste in the WTO, ignoring the concerns expressed by Members.

1.103. India wished to make some concrete suggestions to ensure the delivery of outcomes on those issues in a time-bound manner and suggested the following course of action: first, establish immediately an institutional mechanism such as a dedicated Special Session of the Committee on Agriculture to find a permanent solution on public stockholding for food security. Second, there should be clear-cut procedures, timelines and outcomes under this institutional mechanism so as to arrive at a permanent solution by 31 December 2014. Third, a similar approach had to be adopted on all other development and LDC issues. In that regard, India welcomed the submission of the collective request on Services by the LDC Group. Lastly, the progress of those accelerated discussions had to be reviewed in October 2014 by the General Council.

1.104. In conclusion, if WTO Members demonstrated the same energy and commitment on the other Bali issues as they had done on TF, they would not only find a permanent solution on the issue of public stockholding for food security, but would also be able to implement TF in the agreed time-frame and deliver favourable outcomes on all development and LDC issues.

1.105. The representative of Jamaica associated with the statements of the Coordinators of the ACP, G-33, CARICOM and SVE Groups. His delegation did not wish to dwell on the indisputable fact that Members' work was based fundamentally on the Doha Mandate, which was not diminished by the passage of time and advanced through their work and the Decisions of Ministers. He saw no incompatibility between the faithful implementation of the Bali Decision and compliance with the Doha Mandate. All Ministers in Bali had been fully seized with the content and context of that Mandate and had aligned their Decisions accordingly. Jamaica therefore did not feel the need to discuss further the matter of Paragraph 47 and the Single Undertaking as he considered the matter settled in his understanding. Faithful implementation of the Bali Decisions in line with the timelines set by Ministers was a duty imposed on all Members.

1.106. Jamaica thanked the Director-General for emphasizing the need for intensified work when Members resumed in September but questioned whether Members had worked as intensively as they could have in the past several months, especially on those matters which Ministers in Paragraph 1.11 of the Bali Decision had called on them to prioritise, and on the framing of the work programme to conclude the DDA. It was arguable that Members had not taken those steps to intensify work amid urgent deadlines. The pre-Bali dynamic of buzzing activity, lights on in the building overnight, papers and counter papers, debates in the corridors and meetings in small and large rooms day after day even in the PCTF remained unseen, probably causing some Members to suggest the presence of an imbalance in the post-Bali implementation agenda. However, Members should recognize that the WTO was a Member-driven organization and that it was the Members who set the priorities and the pace for their own work. No-one else was tasked to do that for the Members.

1.107. In the lead up to Bali, Members had a clear understanding that it would be a proponent-led process and that all concerned Members had a duty to engage on proposals once made. Members had also ensured that process should be the servant of substance, and that was where the Room W process – a process that Members seemed to have forgotten – had made its impact. He asked who had been tasked to calibrate the intensity required to convince Members and their capitals that they had been complying with Minister's Decisions in good faith – whether it had been the Director-General as Chair of the TNC, or each Group of proponents of key subjects, such as the G-33, on the issues that it had put forward including food security. He wondered on what basis and when Members should have taken stock of that and set the benchmarks to make a reasonable and actionable assessment of good faith compliance with the decisions of the Ministers.

1.108. While Members should fully take into account the remainders of a sad record of failures of implementation in the Organization, this could not be the benchmark for Members' work at that moment. Indeed, if Members had decided that on that basis of failure, respect of all decisions was optional, Members had an insurmountable problem. The feeling on all sides was that Bali should reflect a break with the past. Indeed Jamaica felt that the hard bargaining to align decisions with Members' capabilities had been done with that in mind. Clearly, if Members did not change that attitude to decisions – and not just Ministerial decisions – they would risk irreparable harm to an Organization already considerably weakened by a history of lack of respect for its own decisions and an inability to find and implement solutions to simple and to difficult problems alike.

1.109. Finally, Jamaica echoed the call of the ACP Coordinator to elaborate a focused work program on all issues before Members. Jamaica trusted that it was not too late to call on the Director-General as Chair of the TNC to propose a work program for intensive negotiations on all issues with emphasis on those covered by Paragraph 1.11 of the Bali Decision. Jamaica also trusted that it was not too late for Members to join the Director-General in constructing such a programme of work with parameters giving confidence that Ministers' decisions would be given equal weight and that the goals they had set would be pursued in good faith – including the faithful implementation of their Decision on the Trade Facilitation Agreement.

1.110. The representative of the European Union made three observations on the TNC Chair's report: First, the report confirmed that based on the success of Bali, Members had been able to actively engage and follow up on all areas concerned. Second, the statements by the Members at

the meeting showed an overwhelming commitment of the vast majority of the Membership to continue to negotiate, and to do so with the willingness to move forward towards Members' objective of finalizing the post-Bali work and the DDA. Third, the report and the statements made at the meeting illustrated that useful work had taken place since Bali and in some cases Members had advanced to a common understanding on specific themes and issues.

1.111. Wide understanding had been reached to focus work on the three areas of Agriculture, NAMA and Services as a first step towards concluding the DDA. At the same time there was a strong understanding that other DDA issues were not dropped and that they would be considered at the right moment. The discussions had allowed wide convergence on basing the final outcome to be based on the right balance of ambition among the three areas. Even on the difficult issue of the Revs. 3 and 4 texts it became clear, as the work advanced, that the existing texts remained useful references in many areas. But in order to make possible what had not been possible in the past, an open mind would be needed.

1.112. The Agriculture group had done useful work on transparency and had held substantive exchanges on all three themes of Agriculture. In NAMA substantive work had taken place with focus on the formula applying members. Clearly, useful discussions had also started on Services, as in the CTD-SS. In response to some comments on CTD-SS made at the meeting, the EU reiterated its firm commitment to fully consider the development dimension of the Round – particularly the interests of the LDCs. Overall the work done in the committees clearly set the stage for more concrete discussions after the holidays. A lot remained to be done. The EU agreed with the Director-General when he had said that Members were very close to a stage necessitating leaping forward and not just small steps and added that such a leap seemed possible provided that Members maintained their commitment to the task at hand.

1.113. Over the past six months, the Organization had come back to life as Members discussed that post-Bali work program on the DDA and all issues addressed in Bali, including public stockholding for food security. However, the EU was concerned about the slowing down of the process since the beginning of July as the commitments and outcome of MC9 were being questioned by some.

1.114. Members' ability to move forward in the process enormously depended on the successful implementation of the TFA. As to the second point of the agenda, the EU had listened carefully to the Indian statement at the meeting. More time would be needed to examine it in depth, particularly because important aspects of it had just been discovered. The EU was convinced that there was only one positive way forward allowing Members to ensure the implementation of the Bali package and giving Members a realistic chance to succeed in the post-Bali effort to deliver the DDA. The decisions of Ministers in Bali needed to be strictly respected and followed by all. Some proposals at the meeting would take Members from post-Bali back to pre-Bali. If that was the case, it simply could not work. The EU was not ready to renegotiate the Bali package and Ministers' decisions.

1.115. A timetable to move forward had been jointly decided in Bali including an unambiguous mandate to the General Council to adopt the Trade Facilitation Protocol by 31 July 2014. All Members had to respect the commitments made by Ministers and let work go forward in accordance with those commitments. So far, Members had all jointly respected and honoured their commitments. Since Bali, they had all engaged to advance the DDA negotiations in accordance with the Ministerial decisions, by finalising the TFA protocol and by engaging in work to follow up on other decisions. They had made good progress, and the membership had demonstrated its resolute determination to make headway in all areas.

1.116. He stressed that any suggestions that food security had not been taken seriously were simply inaccurate. In Bali, Ministers had provided an open-ended solution and proponents' concerns were addressed until a permanent solution was in place. The EU was ready to work and help find a permanent solution to that issue. The EU was ready to intensify, if needed, and accelerate work for such a solution and was open to suggestions for work as in all other areas of the Bali and post-Bali implementation, but the Bali decisions should be respected. The 31 July deadline was near and the EU was ready to make every possible effort to intensify work and jointly find a solution to allow for the adoption of the Trade Facilitation Protocol that month as Ministers had instructed Members to do. He added that confidence and trust could not be built by not

respecting previous commitments. What Members had to do was to build positively on the existing Bali decisions, eventually accelerate them or perform better, but not change or undermine them.

1.117. The representative of Norway said that as a staunch supporter of the WTO, Norway was extremely worried that Members seemed unable to follow up on the commitments they had undertaken in Bali. Together with a group of developed and developing member countries: Australia, Brunei, Canada, Chile, Colombia, Costa Rica, Guatemala, Hong Kong China, Iceland, Korea, Liechtenstein, Malaysia, Mexico, New Zealand, Nigeria, Pakistan, Panama, Peru, Papua New Guinea, Paraguay, Singapore, Switzerland, Chinese Taipei, Thailand and Vietnam, Norway had issued a statement to express their concern about the consequences for the overall DDA if Members would fail to adopt the Protocol by the agreed timeline.

1.118. In that statement they stressed that the Bali Ministerial Conference had been crucial for the WTO but it had only been the first step in convincing the world that WTO Members could, after nearly 20 years, agree on and then implement outcomes in the MTS. The package of decisions reached in Bali had been finely balanced. It had reflected a consensus on the part of all WTO Members. It would not be possible to reopen one of those decisions without unravelling the entire package. That package was central to concluding the Doha negotiations and, ultimately, to the negotiating function of the WTO. That was why they and many other Members, recognizing the benefits of WTO negotiations, had been reaffirming the need to implement what Members had agreed in Bali in the timeframe Members had agreed in December 2013. All WTO Members had committed to work constructively on all elements of the Bali Package. In their view, that commitment would not survive a decision to step away from any element of the package approved by Ministers in Bali, such as the adoption of the TFA Protocol. A decision to step away would be in no one's interest. It would seriously undermine the ability of the WTO to deliver in the future. In practice, it would also block the new capacity building initiatives to assist WTO Members to implement the TFA. The new economic growth and jobs that were expected to flow from the TFA implementation would not become a reality. It would fundamentally undermine the prospects for progress on the post-Bali work programme for the Doha negotiations and on the other decisions that Ministers had taken in Bali. Against that background, they believed all Members should redouble their efforts to find a way forward in Geneva to adopt by 31 July 2014 the Protocol relating to the TFA, as had been agreed in Bali. Doing so would allow Members to press ahead with the other elements of the Bali Package, and put Members back on track to concluding the Doha negotiations.

1.119. Norway remained committed to the work and was happy that the vast majority of Members who had taken the floor at the meeting confirmed that they too remained committed to the WTO and the post-Bali work and that they were willing to go ahead to prepare the work program by the end of the year. Norway supported the comments made by Jamaica. Being a Member-driven Organization, Members bore a collective responsibility for completing the work assigned to them by the Ministers. This work had to be proponent-led and Members should keep an open mind, be creative and engage in good faith in discussions on issues of importance to all.

1.120. The representative of the Bolivarian Republic of Venezuela endorsed the statements by the Group Coordinators of the G-33 and the IGDC. Venezuela had signed a statement with Bolivia and Cuba but wished to stress a few points in its national capacity. Unfortunately, the Bali Package – as Venezuela had stated in the past and at MC9 – remained unbalanced, even with respect to its implementation. Tremendous efforts had been made to bring the TFA, a legally binding agreement, into force yet many Members showed little or no interest in beginning discussions on the post-Bali work program, especially on the issues where legally binding outcomes could not be achieved which had been declared priorities in the Ministerial Decision.

1.121. It would seem that initiating discussions on the work programme was contingent on TFA implementation. Venezuela rejected the idea for being at odds with the mandate of the Ninth Ministerial Conference and undermining the legitimate demands of a significant number of developing countries waiting for a definitive solution to their long-standing demands on, inter alia, Agriculture, Cotton and Public Stockholding programmes for food security purposes in developing countries, as well as the concerns of the LDCs.

1.122. On the TFA, the imbalance in the discussions was obvious. Venezuela understood the concerns of India, South Africa, Bolivia and Cuba. Highly sensitive issues had not been properly addressed, and only few indications had been shown that they would be dealt with in the short

term. Trust should be built between all Members. There should be verifiable certainty that all of the items on the post-Bali work programme, especially those of interest to the developing countries, would be on the table in the near future as provided by the single undertaking. Without guarantees, it was impossible to proceed in the discussions on the Protocol of Amendment.

1.123. On the post-Bali work program, Members were still discussing how to move forward despite the Ministerial Decision already indicating the path to follow. The programme should include only unresolved issues from the Doha Agenda, prioritising issues where no legally binding outcomes had been achieved. New approaches or ideas detrimental to what had already been achieved or secured should have no place in the discussions. Development should be at the forefront of the programme focusing on the real concerns of the developing countries. S&D treatment in all areas of the negotiations was still sacrosanct to those countries. On Agriculture, substantial reductions in domestic support, export subsidies, tariff escalation, tariff simplification and maintaining flexibilities for the developing countries were key components of the post-Bali work programme. The NAMA negotiations should be guided by the principle of less than full reciprocity, and the level of ambition should be guided by progress in the agriculture negotiations. Venezuela considered them highly sensitive negotiations and hoped that its particular situation would be considered. Although the world had changed, as some delegations had been saying, flexibilities still had the same, if not more, importance. Approaches such as that of Agua por Agua adhered to the principle of less than full reciprocity, but favoured the developed countries. Sectoral approaches should remain voluntary, in accordance with Rev.3 Add. 1.

1.124. Venezuela warned of the risks posed by the plurilateral negotiations such as TISA and the environmental goods initiative. Their content, process and systemic repercussions operated to the detriment of the MTS, the successful conclusion of the Doha Round and the development dimension. Inasmuch as Members did not have effective responses to the imbalances inherited from the Uruguay Round, they would not be able to address the so-called 21st century issues. To include new issues on the WTO agenda would divert attention from unresolved issues of priority, such as Agriculture.

1.125. The representative of Mexico said that Ministers in Bali mandated Delegations to have the work programme ready by December to successfully conclude the Doha Round. The Director-General's report showed that significant progress had been made but they would not fully ensure its achievement unless they devoted every effort to the task in the little time remaining. The work programme should provide clear guidance for their work over the following year to make substantial progress in all three core areas – Agriculture (and its three pillars), NAMA and Services, and the other DDA issues including those part of the Bali Package. Progress in the three core areas should not be made at the expense of the other issues but those three pillars were clearly key to reaching the ultimate objective, which was the successful conclusion of the Doha Round soon, with a balanced outcome and the development dimension at its centre, meaning in particular that the LDCs should fully benefit from the MTS.

1.126. The success of the Doha Round depended on appropriate and timely implementation of the Bali Decisions, as established in and without disrupting the timetables approved by the Ministers. Failure to meet those deadlines, including in Trade Facilitation, would raise systemic risks not to be underestimated such as the failure of the Doha Round and the crippling of the Organization's capacity to serve as a negotiating forum. Delegations in Geneva could not change what Ministers had adopted in Bali. Mexico reiterated its readiness to work and explore solutions that would enable Members to achieve what had been decided in Bali and to design a work programme to successfully conclude the Doha Round.

1.127. The representative of Oman expressed concern about the way the substance of the work program was shaping up. Oman had acceded to the WTO by making extensive commitments on goods and services believing that trade liberalization was in the interest of all Members. Oman joined the Doha Round negotiations believing that its trading partners and other Members would see the benefits of liberalisation as Oman had done when it joined the WTO. Unfortunately, Members were faced with the rise of protectionism and resistance from some Members to make liberal and meaningful commitments. As a small developing country and a Recently-Acceded Member, Oman favoured an ambitious package of results in the Doha Round negotiations fulfilling the objectives agreed at the Doha Ministerial Conference. Oman was disappointed that some Members were trying to confine negotiations to only a limited number of DDA issues.

1.128. Oman urged Members to match the commitments made by Oman and other RAMs by substantially reducing tariffs on agricultural and non-agricultural products, by binding tariffs on all tariff lines without exceptions, and by opening services and making meaningful market access commitments. Oman also urged developed countries to eliminate export subsidies on Agriculture as Oman had done. Oman strongly felt that the principle of equity and fairness should guide the market access negotiations in NAMA. Oman congratulated the Director-General for the launch of the TFA Facility which would greatly benefit developing countries and wished Members a happy and peaceful Eid Al-Fitr.

1.129. The representative of Japan welcomed the ongoing discussions at various relevant committees and the new ideas and proposals submitted reflecting the seriousness of a vast majority of Members to follow up the Bali outcomes. Japan continued to work constructively to reap all the outcomes including the post-Bali work program consistent with the agreed timelines. In this regard, Japan was puzzled and annoyed to hear some Members trying to revisit the agreement, including the timelines reached at Bali, in other words trying to return to the pre-Bali period. Those Members should engage themselves in the collective work in accordance with the Bali Ministerial Declaration, including the adoption of the TFA Protocol by the end of the month. The following days would decide the future and the fate of Members' work – it was then or never.

1.130. The representative of Barbados aligned with the statements made by the ACP, G-33, SVEs and CARICOM. Barbados noted that the mandated deadline for the development of the DDA work programme was fast approaching. Barbados reiterated that the crafting of the work programme had to respect the core principles outlined by the ACP in its May submission, including adherence to the development dimension and respect for the principle of less than full reciprocity. Barbados hoped that the program would be developed in an inclusive and transparent manner, taking into account not only the concerns and interests of the larger players, but also any specific concerns of small countries such as Barbados. In that regard, Barbados stressed that S&D treatment should remain an important principle and urged continued support for SSM flexibilities.

1.131. Small economies did not subscribe to the view that the playing field was levelled. Therefore Barbados urged an acceptance of the need for flexibilities and for that reason Rev.4 should be the basis for Members' continued discussions. Flexibilities were necessary for SVEs and LDCs in order to ensure that they would be able to survive in a more liberalized environment. In that regard, the SSM was very important for SVEs. Furthermore, the economic climate of several small States had since deteriorated. Barbados joined other Members in underlining the primary importance of Agriculture for most developing countries; in particular, Barbados supported the proposals of the G-33. In a similar vein, it supported LDCs issues, especially Cotton. On Services, Barbados reiterated its support for the MTS and urged caution lest new approaches applied in plurilaterals were imposed in the Services negotiations in the WTO.

1.132. Going forward, an unbiased look at accessing Global Value Chains by small economies and the reform of the Dispute Settlement Mechanism in particular as it affected small countries, were areas which Barbados wished to see addressed. It would be important to take forward work on NTMs, as those could constitute significant barriers to trade for developing countries. Barbados also looked forward to overcoming remaining hurdles to agreeing in the CTD on actualising the unfulfilled instruction from Ministers at MC8 to operationalise the mandate of the CTD as a focal point for development in the WTO. Difficulties there seemed to symbolise the weak commitment to development and the tendency to cherry pick the Ministerial directives, and to choose, or not to choose, to implement them. Being a Development Round, Members should remain faithful to their commitment to development in all the pillars – Agriculture, NAMA and Services - and give greatest priority to the DDA work programme. Barbados thanked the Director-General for his efforts in establishing the TFA Facility as proposed by the ACP, and the donors for their generosity.

1.133. The representative of South Africa supported the statements made by the Coordinators of the African, ACP and LDC Groups. His delegation also associated with the G-20 statement and in that respect underscored the important element of preserving the 2008 texts as a basis for further negotiations. The Doha Round had been launched in 2001 with an explicit commitment to place the needs and interests of developing countries at the heart of its work programme. In the Doha Mandate, Members made a commitment to address a number of implementation problems of developing countries recognizing that the agreements inherited from the Uruguay Round had been unbalanced and biased against developing countries. In South Africa's view, those imbalances

persisted and in Bali South Africa cautioned against concluding an outcome that was unfair and lacked balance.

1.134. In his address in the Bali Conference, Minister Davis stated that South Africa had been more deeply concerned on not establishing an adequate balance between the three pillars making up the Package – namely development and LDC issues, agricultural issues, and trade facilitation. Minister Davis had further observed that the LDC pillar remained weak again postponing the legitimate demands of the poorest countries with uncertain promises of delivery in the future and added that the Agriculture pillar contained no more than best endeavour on the critical issues of export subsidies and an opt out clause for an importing Member on the issue of tariff rate quotas. Finally, Minister Davies had stated that South Africa saw the critical need to find a meaningful and permanent solution to address the food security needs of people in poor countries and in developing countries.

1.135. South Africa had been consistent in expressing profound concern on WTO's inability to deliver on the promises made to developing countries and LDCs. South Africa remained committed to the Bali Decisions including the decision on Trade Facilitation and to all declarations and decisions of previous WTO Ministerial Conferences. In that regard, Members should respect all mandates equally. There was no hierarchy of importance of Members and the Bali Mandate was not the only mandate of the WTO. South Africa remained fully committed to implementing all decisions that had been reached in Bali notwithstanding the lack of balance which it had continuously been pointing to.

1.136. The challenge confronting Members was not simply Trade Facilitation and the Protocol. Indeed, the TFA had been negotiated and agreed to in Bali. The challenges that arose were a direct result of a lack of balance in progress across all the Bali Decisions. In the Bali Declaration, Members had committed to prioritise the issues where no legally binding outcomes had been achieved. There was little or no evidence that such prioritisation had been given effect half a year after the Bali Conference. The question of balance also arose on how the burden of implementing the TFA would be shared. All Members would be required to implement the TFA, but those countries that would disproportionately bear the cost of implementation did not at that stage have clarity either on the scope of their commitments they would undertake or on the availability and adequacy of capacity support needed to meet such obligations. In the context of a decision that Members would need to take as to the relationship between the TFA and the WTO dispute settlement mechanism, those open questions should be settled satisfactorily and urgently in an open and transparent manner. The credibility of the WTO was indeed at stake due to repeated failure to deliver meaningful outcomes on issues of interest to the poorest Members of the Organization. A down-payment for development was precisely what the WTO needed to provide credibility, to restore its legitimacy, and to build confidence amongst the majority of its Members. The poorest developing countries, especially the LDCs, had waited too long for Members to deliver on the promises made at the Hong Kong Ministerial Conference in December 2005. South Africa therefore asked why the WTO could not deliver on the promises made in Hong Kong to provide DFQF market access to LDCs and to remove the trade distorting subsidies that destroy jobs in cotton farms in poor African countries.

1.137. Decision-making by consensus had been a pillar of the WTO since its establishment. Consensus could only be reached by negotiation and it guaranteed inclusivity in decision-making and strengthened multilateralism. South Africa emphasized that it would not support any move to depart from that core underpinning of the WTO. South Africa was a democracy founded on values of fairness, justice, and equity that were informing its approach to multilateral trade negotiations. When President Mandela had addressed the 50th Anniversary of the GATT, he had emphasised on the importance of fairness in the MTS. Indeed, South Africa's priority remained redressing the imbalances and inequities that continued to exist. Members still had a chance to put the MTS back on track to fulfil its historic destiny of being fair, balanced, development-oriented, and inclusive. Failure to correct the course in the little time available after the summer break, would make history judge them poorly.

1.138. The representative of Ecuador said that the post-Bali work program should be based on the results already achieved. More concretely, the 2008 Agriculture and NAMA modalities texts, Revs.4 and 3, respectively, were the basis on which to move work forward and to build final agreements. Qualifying or marginalizing those gains or, worse still, disregarding them, would not lead to a successful conclusion of the Round. Ecuador also emphasised the issue of liberalisation

for tropical products and diversification, on which concrete forms of trade treatment had already been agreed. From a broader perspective, Ecuador stated that it would be necessary to move forward and build future agreements on the basis of the balance between trade and non-trade concerns, as reflected in the Marrakesh Agreement particularly important in Services where room would have to be effectively preserved for national regulation, in a functional way consistent with Members' constitutional principles and development goals.

1.139. The negotiation and provision of flexibilities and the application of S&D treatment for developing countries aimed at ensuring that the MTS generated conditions necessary for effective participation by all its Members. They were indispensable tools in a world where deep inequalities were basic to the system. Ecuador had attached particular importance to the flexibilities for RAMs and SVEs. Any result that could be achieved should consider the flexibilities that had already been established in the 2008 modalities texts. Finally, on the DSB-SS, in light of the discussions held between June and November 2012, a large group of developing countries had submitted proposals together with revised legal texts on timeframes, mitigation of high litigation costs and effective compliance. Any outcome should include those issues especially those concerning effective compliance to give substance and concrete significance to the S&D provisions already contained in the DSU. Ecuador supported a prompt conclusion of the process.

1.140. The representative of Switzerland said that it was not helpful to play with deadlines. Members should not introduce links and conditionalities into what Ministers had decided in Bali but they should rather respect what had been decided only few months earlier. Not respecting the decision would be like stepping the branch on which they were sitting. Switzerland associated with the statement issued by a group of developed and developing Members and introduced by Norway at the meeting. Switzerland supported that statement because its economy needed a functioning WTO with a performing negotiating arm. That was also why Switzerland considered itself a friend of the system. It was important for Switzerland that Members deliver on TF and all the other decisions taken in Bali. With much effort, the Organization had been able to conquer some breathing space in Bali which Members could not afford to spoil.

1.141. The representative of the United States said that this was a discussion that boiled down to a simple question. And though it was simple, the answer each Member gave would have profound consequences. Would Members of the WTO keep their commitments? For all the complexity of issues like trade facilitation and food security, the core issue was quite direct. In Bali, all Members had made commitments to each other, and to the institution. The United States stood behind its word, followed through in good faith on every commitment it had made, and was ready to continue to do so. The United States believed that the vast majority of WTO Members took their obligations seriously. All of the Bali decisions were important, none more so than those focusing on LDC issues. At the recent G-20 Meeting in Sydney, the United States had joined others in making a concerted effort to provide additional assurances on its commitment to the full implementation of all Bali decisions according to their agreed timelines. The United States had worked to address concerns about capacity for TFA implementation, including through the new TFA Facility.

1.142. The United States spoke very directly about the issue of public stockholding for food security, because it had been a focal point of attention. Repeated misstatements had been heard about activities in the past seven months, and so it was important to examine the facts in some detail. The United States wished to recall very clearly what had been agreed in Bali: "*Members agree to establish a work program to be undertaken in the Committee on Agriculture to pursue this issue with the aim of making recommendations for a permanent solution.*" Members had also agreed specifically and by consensus on the timetable for developing those recommendations. Specifically: "*Members commit to the work programme mentioned in the previous paragraph with the aim of concluding it no later than the 11th Ministerial Conference.*" The 11th Ministerial Conference would take place in December 2017. There had been a further commitment for an interim check in by the 10th Ministerial Conference, which would take place in December 2015. Those substantial commitments had been made in the context of an intense negotiation. As Members in the room remembered well, the agreed time period for reaching recommendations for a permanent solution on food security had reflected a lengthy deadlock before Bali, and the wide recognition that progress on the complex issue would have taken time.

1.143. Since Bali, the United States had followed through on its commitments as one of the most active contributors to the food security discussion. Back in March, the United States had been the first Member to put forward a written contribution, a paper outlining its domestic experiences with

the issue. On 14 July, the United States had contributed a second paper, outlining ideas for the elements of a process to make the food security discussion informed and productive. While complaints had been heard about a lack of activity on food security, proponents had not come forward with their first proposal on that topic until nine days prior. The United States accepted that it took time for them to coordinate an internal position, but it was odd for that fact to be juxtaposed against the complaint that work had not proceeded with sufficient pace.

1.144. At Bali, Members had also agreed by consensus to work with fellow WTO Members to "*prepare within the next 12 months a clearly defined work program on the remaining Doha Development Agenda issues.*" Many Members, including the United States, had followed through on that commitment scrupulously, meeting in a broad spectrum of formal and informal configurations, all with the goal of meeting the Members' collective commitment to a work program by the end of 2014. It was well known that there were deep differences regarding the core Doha issues. The United States was working in good faith to bridge those differences, but of course could not guarantee to Members that consensus would be found, any more than others could make that commitment to the United States.

1.145. There were specific commitments, though, which Members had made to each other, including the implementation deadlines for the TFA. A small number of WTO Members had indicated at the meeting that they could no longer stand by their commitments to implement the TFA or that they would honour their commitments only if they could renegotiate the terms and receive new trade-offs – additional to the ones they had negotiated in Bali. It was profoundly disappointing that Members had arrived at that moment. It had only been seven months, 7 December 2013, that the people in the room had sat together in an even larger room at the Bali Conference Centre. Members were exhausted by months of round-the-clock work. Each of them had made difficult compromises toward the ultimate deal. Like all compromises, the deal itself had been no piece of art, certainly no piece of great literature, yet all of them had embraced it. They had known they had been a part of something big, something important for its terms, but also vital for the life it had injected into the institution. From far-away Bali, they had flipped a switch that had turned the lights back on at the WTO.

1.146. The United States was extremely discouraged that a small handful of Members in the Organization were ready to walk away from their commitments at Bali, to kill the Bali agreement, to kill the power of that good faith and goodwill Members had shared, to flip the lights in the building back to dark. It was no use to sugar coat the consequences of such action or to pretend that there would be business as usual in the aftermath. Many Members, including developing country Members, had noted that, if the Bali Package failed, there could be no post-Bali. It was with regret that the United States agreed with them. Perhaps it was not too late to avoid that outcome. The deadline they had agreed was 31 July. They still had a few days. But while the deadline was fixed and firm, time was not the real issue. Rather, would all Members keep their commitments and live by their word? Members would soon find out. The whole world was watching.

1.147. The representative of [Australia](#) noted that Norway had read out the statement by the 26 Members of the WTO about the link between some of the proposals on TFA implementation and the rest of the agenda, which also set out Australia's views very clearly. Australia agreed completely with Jamaica's very erudite and clear assessment of where Members were at. If there was a decision by some Members to step away from the adoption of the TFA Protocol by 31 July, that would be seen as a step away from the entire Bali Package. It would undermine the trust among Members that Bali had restored and which had been necessary to reach agreement on the way forward. Why would other individual Members feel that they had not been any longer bound by decisions taken in Bali if others had decided that they had not been bound to the ones they had? The clear question that was before Members, and as stated very clearly by the EU, was: were all Members ready to work over the following days to find a way forward which respected the decisions and deadlines agreed in Bali, including 31 July for the TFA Protocol? Were Members prepared to look at solutions to the problems that had been raised? Australia thought that those solutions were genuine, but also that Members needed to find solutions consistent with the outlined framework.

1.148. The representative of [China](#) supported the statements by the Group Coordinators of the G-33, G-20 and RAMs Group. China believed that there should be substantive discussion after the summer break, and that work program should be concluded by the end of the year as required by

the Bali Ministerial Declaration with development at the centre of the process. Due attention should be paid to the views and concerns voiced by developing countries at the meeting to prevent the Organization from being in a more difficult situation. The Bali Package including the TFA represented an important outcome achieved with the joint efforts of all Members making full and timely implementation of great significance. Current divergence should be faced squarely. Members should settle such differences appropriately in light of the spirit enshrined in the Bali Ministerial Decisions. The TFA Protocol should be adopted as scheduled. All Members had to do was to refrain from renegotiating the Bali Decisions made by the Ministers in December.

1.149. As one swallow could not make a summer neither a single flower make a spring so should it always be remembered that all Bali Decisions belong to one indivisible package. He hoped it was not only the case for China. Members should make sure to treat all issues equally and to make tangible progress at every front – the only way to complete the work programme by the end of the year. It was China's expectation that the rights and concerns of developing Members and the LDCs under the TFA should also be taken seriously. China welcomed and supported the launch of the TFA Facility which would give timely help to boost the implementation capacities of developing Members. China would continue to help other developing countries on a bilateral basis within the framework of South-South cooperation and at the same time would look into the provision of funds to the facility according to its domestic procedures.

1.150. The representative of Canada associated with the statement by Norway on behalf of the group of middle grounder Members of the WTO comprised of both developing and developed Members. Members should faithfully implement the Bali Package based on the guidance of their Ministers, their shared interest in strengthening the MTS and their collective desire to move forward with further negotiations to conclude the DDA. The consensus reached by Members in Bali had been a watershed moment for the WTO, which had helped reinforcing its credibility as a forum for multilateral trade negotiations and creating a momentum to resume negotiations on the core DDA issues. However, all that could be lost if Members would fail to implement the decisions based on the agreed timelines. Like others, Canada was deeply concerned by the decision by a very small group of Members to backtrack on commitments made in Bali and to prevent work on TFA implementation from proceeding based on agreed timelines. That position neglected the explicit establishment of different deadlines for different issues and that the TFA had to be implemented on expedited timelines. Canada remained fully committed to the expeditious implementation of the Bali Package including working on a permanent solution on public stockholding for food security purposes. Canada had engaged in discussions on various proposals related to the post-Bali work plan and the implementation of the Bali Package that had been submitted to date and would welcome a discussion on public stockholding for food security purposes in the CoA.

1.151. Canada had stood by its commitments made in Bali and called on all Members to do the same. Failure to abide by the commitments agreed in Bali jeopardized the post-Bali work plan including the provision of assistance to LDCs and developing countries for the implementation of the TFA, seriously diminished concluding the DDA and presented a systemic risk to the WTO as a multilateral negotiating forum. Canada called on all Members to allow for the implementation of the TFA and of all elements of the Bali Package to proceed according to the agreed timelines.

1.152. The representative of Costa Rica said that the conclusion of agreements in various areas in Bali had been a highly significant step for Members and the Organization in confirming their capacity to serve as a multilateral negotiating forum. Members should not go back on the crucial step they had taken. Those agreements had enabled them to reach the end of July with Trade Facilitation under their belt, thanks to the work of the Preparatory Committee and other bodies, the efforts of the Director-General and the launch of the assistance Facility, and the work of all concerned. A growing number of delegations had notified their commitments under Category A and many more would do so in the coming days leaving only the adoption of the protocol. Results from other areas of Bali had also moved forward in accordance with the Bali timetable giving cause for satisfaction. As a result of the Bali Agreements, work and commitment had been seen in the three major areas of market access: Agriculture, NAMA and Services. The commitment shown by Members to develop the DDA work programme before the end of the year also satisfied Costa Rica. Trying to change what had been agreed upon in Bali would not only undermine the credibility of the system, but the system itself. Costa Rica saw in the TFA enormous opportunities for reducing trade-related costs, promoting the competitiveness of its businesses – in particular small and medium-size enterprises from developing countries such as Costa Rica. He believed that a swift adoption of measures for the entering into force of the TFA would be beneficial to all

developing countries. Costa Rica trusted that the constructive spirit of Bali would prevail and that the Bali agreements could be respected.

1.153. Costa Rica saw Bali and post-Bali from the perspective of a small developing country whose economic growth and development depended on foreign trade and FDI. The smallness of its market had obliged Costa Rica to bind its economy to the global economy. To benefit from the global economy and the opportunities it offered, such as global value chains, Costa Rica had followed a policy of opening up trade through autonomous decisions, RTAs and plurilateral agreements such as the ITA. Just as those decisions had facilitated economic and social growth, the results of the broadening of the ITA, those of the TISA and the agreement on environmental goods would also be beneficial. Even though it was reaping benefits from the broad platform of regional agreements, trade liberalization in the multilateral framework remained crucial to Costa Rica. There were markets in which Costa Rican trade was governed by the MFN clause, there were agreements between its partners which could cause distortions in trade and there were areas where the solutions lied on the MTS and not in the RTAs, such as subsidy elimination, strengthening of rules, trade facilitation or dispute settlement. Only in the MTS could it gain greater access at the global level, together with new trade flows, for its agricultural exports, its exports of manufactures and its services. It was for that reason that Costa Rica resolutely supported the launch of the Doha Round thirteen years ago and continued to support the efforts to move the negotiations forward and bring them to a successful conclusion in the short term, which would help Members achieve growth and development in small developing countries such as Costa Rica.

1.154. The representative of the Russian Federation regarded the Bali outcome as a unique chance for accelerating the pace of negotiations to conclude the Doha Round based on the 2008 modalities. The goals set up in the DDA were ambitious with the Bali Package as the only real stepping stone created by Members to help them reach the Doha-heights. The Bali outcomes had proven to the Members, and those not yet, that the WTO was capable to deliver. The current uneasy and even dangerous state of the TFA implementation could have negative and far-reaching consequences for the future of the MTS. However, the inability to implement what had been agreed after overcoming hurdles would be devastating if not deadly. Russia therefore thought that what had been agreed upon should be respected. Otherwise, deals would become peels.

1.155. Russia understood concerns by some WTO Members who wanted to secure balance and a simultaneous process in implementing the Bali Package. Russia valued all the elements of the Package equally and reiterated that tactics to block the TFA or reduce the level of commitments contained therein should be considered as not helpful in moving forward the other issues of the Bali and post-Bali agenda. It could lead to the failure of Members' joint efforts to revive the role of the WTO as a forum for developing new trade rules. Russia strongly believed in the common wisdom of the WTO membership and remained ready to contribute actively to urgently find a mutually acceptable way out from the ongoing stalemate.

1.156. The representative of Uruguay supported the G-20 statement. Uruguay remained strongly committed to the WTO. It had worked with the Membership to strengthen and ensure transparency in the MTS for it to have clear, balanced and fair rules and to consider all Members regardless of size. Despite those efforts, the current state of play was not the situation Uruguay would have wanted. Uruguay had been warning Members for some time and thought they should consider the interests and concerns of all Members in a balanced fashion if they wanted to move forward in the different negotiating areas of the Doha Round. Nobody could deny the fundamental role played by the WTO to avoid an escalation of protectionist measures throughout the world and a new global trade war with possible disastrous effects on world trade especially for the LDCs.

1.157. The WTO as an institution had an important role to play in the development of Members through trade. Uruguay urged Members to continue working in a process led by the Director-General, as the TNC Chairman, to find a balanced solution from them which would give new trust in the system. Uruguay was aware of the efforts made but Members should step up their efforts. Bali had given new momentum to the work and the conversations of the Doha Round which had become bogged down. Members could not afford to lose it and should make as much effort as possible in contributing to the post-Bali work program to achieve positive results in all areas. Diplomacy called for optimism throughout the process even at times when all seemed lost.

1.158. The representative of Colombia said that there was still a lot of work before Members. The previous months had been useful to identify a cohort of principles on which to build the work plan, to refresh positions and to start exploring new possible alternatives. Members needed greater doses of optimism, trust and goodwill if they were to reach results. Furthermore, alongside what had already been said by Norway and representatives of a number of developing and developed countries, Colombia also agreed with several other delegations. Implementation of all Bali Decisions should be completed within the mandate and the timeframes decided by the Ministers. Their task was neither to change what the Ministers had decided, nor to interpret the mandate given to them. Rather, they should implement them. Stepping away from the task would seriously harm the WTO since it would just lead them to halting their work with nobody benefiting. The agreement reached by the Ministers in Bali should be respected for being the minimum basis to continue working in a constructive environment bound by trust with each other. Work procedures could be adapted if that was required but they could not revise the mandate before them.

1.159. The representative of Korea said that Members had worked for the implementation of the Bali Package and had discussed the post-Bali work program over the past seven months. However, progress was too slow and not enough to celebrate at that stage. On the post-Bali work program, Korea was disappointed by the slow progress. Members needed to intensify discussions after the summer break with a fresh look. The six parameters proposed by the Director-General should guide them. In addition, Korea wished to stress three points. First, Members needed more concrete proposals. Members who had concerns or particular interests should present them in writing on the table to stimulate more dynamic and focused discussions. Second, there should be trust and open-mindedness. Korea hoped that the major players would open their mind and engage more seriously in the discussions on the work program. Third, Korea continued to back up the Director-General in his role as an honest broker in bridging the gaps and building confidence and trust among the key players.

1.160. The successful implementation of all the elements of the Bali Package including trade facilitation should continue to remain the highest priority of the WTO. At Bali, Ministers agreed with the 10 issues. Each decision had clear built-in implementation timelines, all agreed by consensus, which had to be respected. Korea was also frustrated by the slow progress in the notification of Category A Commitments in the TFA, even though it recognized some progress was made on the notifications by a number of developing countries. Members were also about to miss the timeline which Ministers had agreed and instructed for the adoption of the Protocol of Amendment to insert the TFA in the WTO Agreement. The failure of finalizing a Protocol of Amendment by the end of July could only undermine the momentum for the DDA negotiations and the credibility of the MTS which had barely been gained through the historic success in Bali. Korea had joined the statement of the WTO middle-grounder Members read out by Norway. Korea also commended the Director-General along with donor Members and Coordinators from the ACP, LDC and African Groups for the launch of the TFA Facility and hoped that the Facility would play a significant role as a necessary catalyst in addressing the concerns of developing Members.

1.161. The representative of Hong Kong, China said that Hong Kong, China (HKC) had been following the work of the Preparatory Committee on Trade Facilitation (PCTF) very closely having prepared itself for the full implementation of the TFA as soon as it entered into force. The work of the PCTF should have been very technical: to conduct a legal review which should not involve any changes in substance; to draft a Protocol which should be a simple legal instrument; and to receive Members' Category A notifications as submitted. All the technical work had been done through the good efforts of the PCTF Chairman and many Members who had contributed to the process. Yet HKC remained frustrated since Members were still stuck for other reasons. Adopting the Protocol before 31 July was a deadline that had to be met to prove their commitment to the MTS and to prove that the expeditious implementation of the Bali Package – an important stepping stone to complete the Doha Round – was not just empty talk. The TFA – for Developing Countries in particular – was significant in itself for a number of reasons: for being the first WTO Agreement to directly link the requirement to implement with the capacity to implement, for the unprecedented emphasis it placed on the provision of technical assistance, and for the respect it paid to individual Members' right to self-designate their commitments. But none of those could materialise without the Agreement first coming into operation.

1.162. In the Bali Declaration, different timelines had been set for different tasks. Although Members could think otherwise, Hong Kong, China did not see any conditionality in that design or any good reason to re-open negotiations on what all Members had already committed to. The best

way to ensure that the Bali Decisions were implemented in their entirety was to faithfully adhere to the timetable, not to try to alter it. A delay in the first step would hinder progress in subsequent ones. Therefore, Hong Kong, China joined other Members in calling for an adoption of the Protocol without further delay. Having achieved that milestone in the Bali package, Members should continue to work very intensively on the rest of the Bali Package and other DDA issues and prepare a meaningful work programme by the end of the year. Hong Kong, China remained committed to that process and would engage constructively in all the negotiations.

1.163. The representative of Turkey informed the Members that Turkey had notified its Category A Commitments. Turkey shared the views and concerns expressed by a group of middle-ground countries concerning the entry into force of the TFA as had been agreed in Bali. Turkey believed that honouring commitments was directly related to the credibility of the organization and the MTS. Each and every Member had the responsibility to implement the agreed outcomes at Bali, including TFA, respecting the determined timelines. With reference to the EU intervention, other issues of the Bali Package had to be duly addressed in order to find solutions acceptable for all. As a candidate for hosting the 10th Ministerial Conference, Turkey was ready to engage in intensive negotiations to that end.

1.164. The representative of Benin associated with the statements made by the Group Coordinators of the African, LDC and ACP Groups. The spirit of participation and cooperation was part and parcel of that work and should continue to be promoted. Being at a crossroads of their work, the General Council meeting was important for enabling Members to sketch the ways and means of avoiding getting bogged down. They should keep on contributing to other results in parallel to those obtained in Bali in the different areas of negotiation – Agriculture, NAMA, Services, Trade Facilitation, LDC issues including Cotton, and Development issues. Benin remained convinced that a post-Bali work program could be defined. At the WTO, the balance between rights and duties was essential and could be reached. Therefore, work aimed at making the provisions of the MTS had to be pursued and stepped up. Benin highlighted that no delegation wished the Round to slow down since they wanted to benefit from it and see a strengthened MTS rising from the process. Thus, Members had to remain within an approach of attentive listening and had to analyse together the different proposals put forward, even if sometimes they could seem very far from each other. What was fundamental in the interest of all was that Members accepted to act in a direction which would enable a balanced movement preserving the interest of all. Issues put forward should be considered and taken on as such. By acting in this fashion, they would be able to focus their efforts on what was still to be done and on how to do it. Benin remained committed and would make all efforts required to contribute to their work to reach the results expected by all. Benin hoped that consensus would be reached as soon as possible on the items under discussion given the emphasis placed on dialogue and consensus at the WTO.

1.165. The representative of New Zealand said that New Zealand was among the Members Norway had spoken on behalf of expressing serious concern about the current situation. He underlined that the diverse range of countries that had supported and identified with the statement and many who had spoken – large, small, all with diverse interests and priorities within the Organization – highlighted that this was not a North-South issue but one that raised more fundamental questions about the approach taken to decisions of WTO's highest body – the Ministerial Conference. It was clear that if Members sought to reopen the decision recently taken by Ministers it would have a profound impact on their capacity to deliver for the future on all the unfinished business important to a number of Members. They had until 31 July to meet the first of the key deadlines agreed by Ministers in unambiguous terms in Bali regarding the Trade Facilitation Protocol. That was obviously the essential priority that should be secured if they were to maintain their credibility.

1.166. The representative of Pakistan said that the situation had reminded him of the pre-Bali preparatory phase where Members were still negotiating most of the issues. A critical balance painful for many Members on different accounts had been nevertheless achieved to save the MTS and to restore the credibility of the WTO. However, Bali began to feel unreal. The MTS train had moved one station before Bali. The danger that the downslide would not take them back to the Doha station could be avoided but repairing the engine could take time. Developing and Least-Developed Members would face major repercussions for being unable to participate in high-level plurilateral and bilateral deals. S&D treatment in the TFA was an old endeavour. Donors had been prepared to put out resources to empower developing countries and LDCs to implement reforms to upgrade their customs procedures and trade policy initiatives. The WTO had also launched the

facility to achieve the objective with elaborate and well thought out terms of reference. This endeavour would be difficult to move forward. The Ministers had mandated the Preparatory Committee to draw up a Protocol not to amend the TFA but to amend the Marrakesh Agreement to make the TFA as a covered agreement. The TFA had been gavelled at Bali and would be part of WTO law after ratification by Members. Pakistan believed that Members still had a few days to work before 31 July as they had done in Bali under the leadership of the Director-General and the General Council Chairman.

1.167. The representative of Cuba said that Cuba's general and specific positions were reflected in the joint statement with Bolivia and Venezuela. She stated she was optimistic. Contrary to what a very small number of Members had said, Cuba was not disappointed. Cuba became more optimistic since the developing countries had learned from their mistakes. Fortunately, Cuba did not share the fatalism that had been heard. What was disappointing for Cuba were double standards, and the fact that some had said that Members could not build trust on current commitments if they undermined or called into question what had been agreed in Bali. What could then be said about the commitments prior to Bali that had been entirely unfulfilled, such as the elimination of cotton subsidies, among others? What about the systematic US violations for more than 12 years of the recommendations and rulings of the DSB? Did they not count? Were they not also WTO obligations? Was it the case that in WTO some could take the liberty of selecting which obligations to comply with? An alleged consensus could not sacrifice basic elements and principles that most developing countries had promoted for years.

1.168. The General Council took note of the Director-General's report and of the statements.

2 PREPARATORY COMMITTEE ON TRADE FACILITATION – REPORT BY THE CHAIRMAN

2.1. The Chairman recalled that, in their Decision on the Agreement on Trade Facilitation (WT/L/911–WT/MIN(13)/36), Ministers had concluded the negotiations of the Agreement, subject to legal review for rectifications of a purely formal character that did not affect the substance of the Agreement. Ministers had established a Preparatory Committee under the General Council, mandated with very specific tasks – to conduct the legal review of the Agreement, to receive notifications of Category A commitments, and to draw up a Protocol of Amendment in order to insert the Agreement into Annex 1A of the WTO Agreement. Ministers had also directed the General Council to meet no later than 31 July 2014 to annex to the Agreement notifications of Category A commitments, to adopt the Protocol drawn up by the Preparatory Committee, and to open the Protocol for acceptance until 31 July 2015. He invited Amb. Esteban Conejos (Philippines), Chairman of the Preparatory Committee, to report on the work in the Committee to fulfil those mandates.

2.2. Amb. Conejos, Chairman of the Preparatory Committee on Trade Facilitation, said that the work on Trade Facilitation had seen mixed developments since his last report. On the one hand, Members had been able to complete the legal review of the TF text agreed upon in Bali, leading them to the formal adoption of the scrub agreement in all official WTO languages in 10 July. The final version of the TFA had been subsequently circulated as WT/L/931 on 15 July, thereby complying with the Ministerial task within the given deadline. As far as the second component of the Bali Mandate was concerned, the receipt of Category A notifications, there had been communications from 22 Members to date. They had been duly received by the Preparatory Committee and circulated as WT/PCTF/N documents. Although an important step, that was clearly less than many had hoped. He urged delegations to present the outstanding notifications as soon as possible. One of the possible reasons for the relatively slow pace of the process related to the state of affairs on the third element of their mandate, the Amendment Protocol.

2.3. While some progress had been made on the item, in fact, two dedicated sessions in the Preparatory Committee had been held to review the proposed language several times, he had to inform the Council that Members had not yet been able to agree on a Protocol. This was very unfortunate and a cause of serious concern, not just for the implementation of the TFA but also from a broader systemic point of view. 31 July 2014 was not just another deadline that could be missed without consequences. The approach should not be based on the expectation of business as usual if they failed to comply with the Bali Mandate. He urged delegations to re-double their efforts and to reach out to each other in an effort to find common ground. He remained available to support the process in any way he could. This should not be a very complicated exercise. The

actual matter was essentially fairly straightforward. They had come too far in the Committee and had made too much progress to fail a step, just one single step, from the finishing line.

2.4. The representative of Chile raised concerns about the current situation. As a Member committed to the MTS, Chile welcomed the outcome of the Ninth Ministerial Conference and was very concerned by a possible going back on what had been agreed. The Agreement in Bali had not only been an important step to the successful completion of the Doha Round. It had also been a powerful sign that the WTO had sent out to the international community on its ability to move forward with the strengthening of the MTS linking trade to development, contributing to the governability of globalisation. Chile had played an active role in the negotiations of that agreement upon seeing the value of the instrument to streamline trade of developing countries. Chile had already notified its Category A commitments within the stipulated timeframe. It had notified the laws and regulations which made it an obligation to have duty-free-quota-free access in its country. While not all developing countries were in the same economic or trade-related situation, they shared common challenges. Since greater obstacles, barriers, costs, customs procedures and general problems of the access affected their exports, with the implementation of the agreements, they would require institutions which not all of them had. Chile welcomed the initiative launched by the Director-General with the ACP countries, the African Group, LDCs and the Donor Countries to setup a facility for improving customs, infrastructure, and systems making administration procedures swifter and more transparent once the Protocol had been adopted. Those would undoubtedly contribute to new dynamism in the international trading environment and lead to tangible results in terms of the growth of the world trade and employment. The Bali Agreements were key basis to continue with the challenge of trying to successfully conclude the Doha Round. From Chile's point of view Bali had not just been a trade agreement. It had been an expression of political will in the strictest sense of the word. Politics was the art of governing in the interest of the common good balancing diverse interests and looking at it from the perspective of human development in general. At the same time, it was the capacity to move the limits of the possible which Members had done in Bali. They needed to do that from that point on. Chile understood the concern of a number of Members but they could do it without altering the timeframe and the process Ministers in Bali had established. Chile had supported the statement by Norway and reiterated the call to Members to honour the commitments in Bali and to meet the timeframe agreed for adopting the Protocol.

2.5. The representative of Myanmar, on behalf of ASEAN, reaffirmed the strong commitment of ASEAN to the expeditious implementation of all the MC9 Decisions and in particular to each of the agreed timelines for Agriculture, the TFA and LDC-related decisions. However, ASEAN was deeply concerned about the current state of work on the Protocol of Amendment for the TFA. The 31 July deadline to adopt the Protocol was the first deadline set by Ministers in Bali. All Bali decisions needed to be implemented, and the TFA decision was the first in the pipeline. Failure to implement the TFA as agreed by Ministers at MC9 would result in grave consequences for the credibility of the WTO as a body for negotiating multilateral trade agreements and the entire post-Bali work program. Adhering to that deadline did not mean that they were giving less priority to other MC9 decisions, for which there were separate timelines. On the contrary, it would demonstrate their seriousness not just about the TFA but also in concluding the DDA. While they were developing Members at various levels of development, ASEAN was united in viewing the fundamental importance of the TFA for reducing trade costs, increasing transparency, attracting investors and facilitating its integration into the global economy. ASEAN extended its deep appreciation to the Director-General for the successful establishment of the TFA Facility, which would be extremely useful for Members with concerns on accessing technical and financial assistance. ASEAN called on all Members to work expeditiously together in good faith to implement the TFA. Time was running out. The world was closely watching to see if success in Bali had been genuine. They should not let their hard work go to waste.

2.6. The representative of Paraguay, on behalf of the LLDCs, said that after many meetings with regional development partners and the private sector, LLDCs had come up with a proposed draft programme of action. In its chapter on International Trade and Trade Facilitation the following recommendations for action were made: LLDCs called for the coming into force of the TFA on a definitive basis and urged Members to ratify the TFA to ensure its entry into force in 2015 and implement it as per its provisions. LLDCs needed to establish or strengthen, as appropriate, national committees on trade facilitation involving all major stakeholders including the private sector as an important tool for analysing. LLDCs should also scale up and implement trade facilitation initiatives such as single stop inspections, single windows for documentation, electronic

payment, transparency, modernisation of border posts and customs services, among others. Complete financial support and capacity building to LLDCs and transit countries for an effective implementation of all provisions of WTO agreements especially where the measure comes with high maintenance costs, such as trade facilitation measures for perishable goods, single window, among others. Those illustrated the importance of TFA for LLDCs and the importance its members placed on it. The LLDCs thought that the TFA Facility would be of great assistance to their needs.

2.7. The representative of Mauritius aligned with the statements made by the Coordinators of the ACP, African, G-33 and SVE Groups and reaffirmed that development should remain the core issue in line with the DDA. As a Small Island State, Mauritius attached great importance to the MTS and reaffirmed its commitment to the decisions taken in Bali. There would be no default in its commitment as it had shared responsibility and obligation to implement within the agreed timeframes in the Bali Decisions including the DDA work programme. Members should be guided by the Bali Decision on TFA and by the AU Malabo Summit Declaration which had called for the TFA implementation as agreed in Bali. The TFA should be implemented on a definitive basis on its own merit for predictability, legal security and sustainability. Mauritius had held a national workshop on TFA implementation with all the stakeholders, both private and public sectors and a validation conference to identify its Categories A, B and C TFA Commitments. Mauritius had already notified its Category A Commitments to the Preparatory Committee on Trade Facilitation. Being a Small Island Economy dependent on external trade, trade facilitation was highly important not only to cut cost of trade and increase trade flows but also to improve ease of doing business, investment climate, and economic competitiveness. Mauritius would be hosting a regional business forum from 4-5 August 2014 and improving trade facilitation within the countries of the region would be on the agenda. Mauritius welcomed the launch of the WTO TFA Facility and looked forward to predictable and sustained flow of resources and assistance to developing countries and LDCs. There should be coherence and coordination in the delivery of assistance and technical resources. Unfortunately, Members had not yet concluded the discussion on the amendment protocol – a hard work that had to be pursued to achieve a solution. The challenge remained how best to address the legitimate concerns of Members on the developing issues. The Bali decisions had chartered the path for addressing the Bali and other DDA issues. Mauritius looked forward to meaningful progress in discussing the work programme on outstanding DDA issues, on Agriculture including a permanent solution on public stockholding for food security purposes, an issue which had a direct bearing on it as a small island developing state and a net-food importing country.

2.8. The representative of Thailand associated with the ASEAN statement and supported the statement made by Norway on behalf of a group of like-minded Members. Thailand had notified its Category A Commitments to the PCTF on 23 July 2014 and was highly committed to the TF deadline. Members should respect the Bali Mandate by showing good faith in adhering to the first TF deadline and other MC9 decisions. Completing the first task of the Bali mandate would not only benefit all Members in terms of trade cost reduction and customs procedure simplification, but would also preserve the credibility of the WTO and the MTS as a whole. Members should work together in high spirits with trust and confidence to prove to the global trading community their successful collaborative effort at Bali to conclude the DDA.

2.9. The Chairman said he had listened to the discussions at the meeting, including under the previous item, where Members had shared their thoughts on the Protocol, and the report of Amb. Conejos completed the picture. The General Council was not in a position to adopt at the meeting the Protocol mandated by Ministers in document WT/L/911. He had also heard from several delegations the potentially serious situation that could be triggered, systemic implications that could be carried. He urged Members to reflect carefully on those potential consequences and to make every possible effort to talk to each other, to take advantage of the limited time they had in overcoming differences to fulfil the letter and the spirit of the Bali Mandate not just in Trade Facilitation but in all the other decisions. He proposed to suspend further consideration of the item.

2.10. Later, at the end of the meeting, the Chairman recalled that Members still had an open item in their agenda. In light of the views expressed, he proposed that the meeting be suspended to explore if differences could be bridged. The General Council would reconvene at a propitious moment if there were positive developments, anytime until midnight of 31 July. He would reconvene the General Council only if there was progress that would enable Members to take necessary action. He said that it should be understood that if the meeting would not be

reconvened by that time, the discussion on the item would be considered closed and the General Council would consider the meeting itself to have been adjourned⁵.

2.11. The representative of Zimbabwe asked whether this was the last General Council meeting before the summer break.

2.12. The Chairman said that the meeting was not adjourned, but suspended. The meeting could be reconvened should there be a signal that progress was possible.

2.13. The representative of Jamaica was concerned about what would trigger the formal adjournment of the meeting Would Members by assenting to the Chairman's announcement allow the meeting to formally close at midnight on 31 July if there had been no further action and therefore their acquiescence in his statement would be the basis for that decision?

2.14. The Chairman said that that was his intent and way of proceeding. He stressed that he was the servant of the Membership and that he was in Members' hands as to if progress would be made or not. It would be up to the delegations themselves to talk to each other between 25 July and 31 July. What would trigger the formal adjournment was the clock. He appreciated the engaged manner in which everyone had participated in the challenging discussions at the meeting. He declared the meeting suspended⁶.

2.15. The General Council took note of the report of the Chairman of the Preparatory Committee on Trade Facilitation and of the statements.

3 WTO TRADE FACILITATION AGREEMENT FACILITY – STATEMENT BY THE DIRECTOR-GENERAL

3.1. The Director-General recalled that the new WTO Trade Facilitation Agreement Facility had been launched on 22 July, with the Coordinators of the ACP, LDC and African Groups. The Facility was a response to concerns which the Coordinators had raised about LDCs and developing Members being able to access the necessary support under section 2 of the TFA. Its purpose was to answer those concerns and ensure that those Members received the support they needed in order to reap the full benefits of the Trade Facilitation Agreement.

3.2. The Facility did not seek to replace existing assistance programs. Rather, it was meant to complement and enhance them and to ensure that no one was left behind. Partner organizations had been very supportive of the initiative and the WTO planned to deepen its dialogue with them in the months ahead. He had mentioned during the launch that the WTO had been working particularly closely with the World Bank. The WTO and the World Bank were planning to hold an event together in Washington in the autumn. The aim would be to ensure that their trade facilitation work operated in an efficient and expedited way, so that their support reached those developing countries that needed it and to ensure that their work and the work of the WTO Facility complemented each other fully. More information on the event would be provided in due course.

3.3. Other institutions were also getting engaged with, and excited about, that work. In fact, the Annex D Plus Organizations had issued a joint statement on 22 July, recognizing the development potential of the TFA and pledging their co-operation and support for its implementation. In addition to the World Bank Group, the statement was signed by the ITC, OECD, UNCTAD, The World Customs Organization, and the United Nations Economic Commissions for Europe, Latin America and the Caribbean, Asia and the Pacific, and Western Asia. As Members began their work and mobilise resources he had no doubt that more Organizations would get involved. The initiative had been conceived just a few weeks prior, and he thought it had been clear that Members had been off to a great start. The WTO Facility would add value to the trade facilitation funding and support that was currently available. He invited them to look briefly at some of its specific functions:

⁵ See also footnote 6.

⁶ The General Council meeting was not reconvened. In line with the Chairman's statement, discussions under item 2 were considered closed and the meeting adjourned. On 31 July, the Director-General, as Chairman of the TNC, convened an Informal TNC meeting. His statement can be found in JOB/TNC/40.

- a. First, the Facility would support LDCs and developing countries to assess their specific needs and identify possible development partners to help them meet those needs. In that way, their current needs assessment work would be brought under the Facility – as would their other TFA-related technical assistance programs. And they would expand those programs – to include, for example, assisting Members with preparation of notifications and scheduling.
- b. Second, the best possible conditions for the flow of information between donors and recipients would be ensured by creating an information-sharing platform for the demand and supply of TFA-related technical assistance. They would compile information on assistance providers, share implementation experience and collate training materials. And they would continue to organize periodic meetings to facilitate exchanges between beneficiaries and donors. Put simply, they would ensure that Members knew what assistance was out there and how to access it.
- c. Third, they would do everything they could to match Members with donor funds to implement their projects. And if the process proved difficult, under the Facility Members would be able to formally request him, as Director-General, to act as a facilitator in securing funds for project implementation.
- d. Fourth, the Facility would provide funds for the exceptional cases where countries had made thorough attempts to find assistance but had failed to receive the support they needed. The facility provided for two types of funds to fill the gap. The first was a grant to help in the preparation of projects. Those funds could be given when a Member had identified a potential donor but had been unable to develop a project for that donor's consideration. In that case, funding of up to 30,000 US dollars could be provided to fund expert support to help prepare the project proposal. The second type of fund was for project implementation – specifically for "soft infrastructure" projects, such as modernisation of customs laws through consulting services, in-country workshops, or training of officials. If a country found itself in the situation where it simply could not find a donor – even with their help – then they could apply to the Facility for a grant of up to 200,000 US dollars to implement their project.

3.4. So, in simple terms, that was what the Facility would do. He had set that out at the launch event on 22 July and he had been very pleased with the response. The Group Coordinators had made strong statements of support and he had received very positive feedback from a wide range of members and donors. The Facility would be funded on a voluntary basis by WTO donor Members. A number of Members had already pledged funds – and he was delighted to say that more funding had been pledged even since the event on 22 July. So Members were in a very good position. They had momentum. The Facility was ready to start work. It would become operational the moment the Protocol of amendment was adopted.

3.5. The representative of Swaziland associated with the statements to be made on that item by the Coordinators of the African and ACP Groups. Swaziland joined other Members who had welcomed the successful establishment of the TFA Facility to give assurance to Members, including Swaziland, who needed some predictability in giving effect to Section II of the TFA. Swaziland had long shown commitment to the trade facilitation agenda in Geneva but more importantly, in its region. As a landlocked developing Customs Union member, Swaziland's development and economic competitiveness relied disproportionately on the time it took to get products to markets and the relationships it engendered with its neighbouring transit countries. In that regard, its government through the reformed Swaziland Revenue Authority had embarked on several modernisation activities at all its border posts and on an overhaul of its customs legislation to better synchronise it to that of other SADC Countries and make it useful and intelligible to traders. However, challenges of resource prioritisation and shortfalls in implementation persisted. Swaziland was therefore actively looking to engage competent Annex D Organizations to assist in the revival of its Trade Facilitation Committee, to validate its needs assessment report and to categorise its commitments under the TFA – a first step. With the added assistance and input of cooperating partners such as the WTO Facility, Swaziland hoped to develop a comprehensive programme to identify needs and secure donor support for not only soft assistance but also tangible and bankable trade facilitation projects. Swaziland therefore looked forward to learning, in greater detail, about the modalities of access and functioning of the facility. Swaziland hoped it would be executed in a transparent and fair manner to avoid the marginalisation usually faced by

middle income developing countries in trying to access trade and other development finance on preferential terms.

3.6. The representative of Lesotho, on behalf of the African Group, requested for his statement during the launch of the TFA Facility on 22 July to be included as part of the records of the meeting.⁷ He indicated that the launch of the TFA Facility was important. For Africa, it flowed from the decision taken by their Heads of State on 25 June in Malabo Section 3 (iv) of which stated *"reiterates in this regard that assistance and support for capacity-building should be provided as envisaged in the Trade Facilitation Agreement in a predictable manner so as to enable African economies to acquire the necessary capacity for the implementation of the agreement."* The Facility was important for Africa and it should be all inclusive covering everyone who needed it.

3.7. The representative of Kenya, on behalf of the ACP Group, thanked the Director-General for launching the TFA Facility and for his statement which had clearly stated his vision on how the Facility would operate in supporting the developing and least-developed Members to undertake commitments to be made under the TFA. The ACP Group had shown strong interest in the facility because it knew the challenges that ACP Members would encounter in implementing their commitments in TFA. The ACP was glad that the consultations that it had been holding with the Director-General and his consultations with the rest of the Members had finally led to the launch of the new WTO TFA Facility which would be part of the decisions to be taken at the meeting of the General Council. The ACP welcomed the Facility and was ready to work with the Director-General and the Members to ensure that it fully responded in a concrete and substantive manner to the concerns of developing and least-developed Members in their efforts to implement the TFA. The ACP needed a Facility with a simple operational structure that responded efficiently to the requests by Members in dire need of support. The General Council decision would certainly build the confidence of Members in striving to finalize work on the Protocol of Amendment and in embarking on the implementation of the TFA. Confidence would be boosted as Members engaged in the ongoing negotiations of drawing up a work programme on outstanding DDA issues expected to be completed before the end of the year. The ACP sincerely thanked its development partners who had already stepped up to announce resources they would be directing to the WTO to assist in the implementation of the TFA and looked forward to other partners to come on board.

3.8. The representative of Uganda, on behalf of the LDC Group, recalled with delight the events of 22 July 2014. The Director-General had been able to announce to the world the launching of the TFAF, an instrument that would guarantee access to assistance and support for Capacity Building. It affirmed the fact that indeed without assistance and support for Capacity Building, however good the intentions were, they remained just that, good intentions. The LDCs welcomed the recognition of the validity of the concerns of the most vulnerable Members of the MTS. The LDCs congratulated the Director-General and the Members for having found merit in its arguments, and the Coordinators of the ACP Group and the African Group who together with the LDCs had worked with the Director-General to put TFAF in place. The LDCs recognized and expressed its appreciation to the donors who had committed seed money to the Facility and was confident that the silent majority would find the courage and the will to do as well. The issue had never been the TFA as such, but rather the prohibitive cost of implementation. The challenge had always been and continued to be the lack of a sense of clarity, predictability and sustainability of funding. That was the issue! The TFAF offered a ray of hope, knowing fully well that it was not an end in itself but rather a stepping stone in continuing on the quest of creating a sense of full assurance to its members, the Least-Developed Community of nations, that when the TFA would come into force there would be requisite assistance to address not only the soft projects but in fact facilitate the full implementation of all measures within the TFA. The LDCs appealed that a specific amount of resources be earmarked for them given their structural and capacity constraints. In that way they should avoid trouble and difficulty in explaining to their Parliaments as they sought to ratify the TFA on where the source of the funding was, and the terms under which it would be accessed. The LDCs were confident that with the good will created so far, that should not be a difficult task to accomplish. Members should continue in an information sharing mode to address the information gaps that still existed. Furthermore, it would be useful to have in place of a process which to inform and update Members on the contributions and replenishment of the Facility. The LDCs thanked the Director-General for his personal and relentless efforts in ensuring that the TFAF would see the light of day. The LDCs commended those partners that had made it possible and

⁷ The full statement can be found in Annex 5.

looked forward to a more detailed discussion on the same in the near future and a harmonious implementation of the TFA.

3.9. Speaking on behalf of Uganda, he stated that his capital had held consultations in light of the establishment of the TFA Facility launched on 22 July 2014, that would enable LDCs to effectively implement TF measures in Categories B and C. Consequently, Uganda's stakeholders gave the mandate to the government to pursue the definitive implementation of the TFA. Uganda thanked partners who already committed funds to the Facility and called upon those who had not done so yet to emulate those who did it already. The Facility gave some clarity and predictability on how and where funds for TF implementation could be obtained. In conclusion, as stated by Uganda's Minister of Trade, Industry and Cooperatives: "it should be recalled that during the Bali Ministerial Conference Members were unanimous in their decisions on the DDA negotiations, including the TFA and they upheld the Bali consensus as a foundation for moving the DDA negotiations to conclusion".

3.10. The representative of Niger welcomed the initiative, which dispelled some of the fears and doubts as to LDCs possibilities of having appropriate facility in acquiring technical assistance and capacity building in line with the decision by African bodies that Niger strongly supported. Niger thanked the Director-General and all the coordinators who had worked together towards that achievement and welcomed Members and other partners' support for the process giving impetus to the Facility. That was important for Niger for helping it to move forward in view of all the legitimate concerns heard and to advance with optimism. The TFAF would be operational and functional with the necessary fluidity and flexibility enabling Members in need to have their concerns met in terms of implementation capability. Niger hoped that the wisdom that had led to the creation of the facility would also guide Members towards a successful outcome. Niger thanked the coordinators of the African Group, the ACP and the LDCs for their assistance.

3.11. The Chairman, on behalf of the General Council, thanked the Director-General for his leadership and drive in bringing the Facility together on such a short timetable.

3.12. The General Council took note of the Director-General's statement and of the statements.

4 IMPLEMENTATION OF THE BALI OUTCOMES – STATEMENT BY THE CHAIRMAN

4.1. The Chairman drew the Council's attention to the written statement on the Implementation of the Bali Outcomes in document JOB/GC/70. He underscored that when he took office his personal commitment to ensuring that the General Council as the overseer of the standing and regular bodies continued to give highest priority to implementation of the whole of the Bali Package. As Members would read and digest the report, they would see that at a minimum, discussions were engaged in each and every area of the Bali results. Obviously, as many of them had observed, in some areas and on some subjects discussions needed to intensify. He intended to provide regular reports to the General Council on the status of implementation in each of those areas and to ask the specific Chairs of the relevant regular bodies to report as appropriate.

4.2. The representative of Uganda, on behalf of the LDC Group, said⁸ that the LDCs were concerned that there had not been an equal amount of attention paid to issues in the Bali Package where legally binding outcomes could not be achieved. Nonetheless, it was still a good day. On the TNC meeting of 25 June 2014 the LDCs had signalled that they would be in a position to submit their collective request on services before the summer break. The LDC Group had the honour to announce that on 21 July 2014, the Group had tabled its Collective Request pursuant to the Bali Decision to operationalise the LDC Services Waiver. That was an important step towards the implementation of Bali Decisions, which the General Council ultimately monitored. The Collective Request was based on country studies, research, interviews, experiences, and analysis so far, conducted by the Group in order to identify the sectors and modes of supply of key interest to the LDC Group. Due to a number of barriers and obstacles faced, it was clear that the LDC services suppliers were experiencing difficulties in supplying services sought by existing and potential consumers and clients in a number of WTO Members, both developed and developing countries.

⁸ The statement of Uganda was delivered under Item 3 of the Agenda.

4.3. The LDC Group would formally introduce the request at the next Council for Trade in Services. However, the Bali Waiver Decision required for a high level meeting to take place six months after the submission of a Collective Request from the LDC Group. In that regard the Group had therefore indicated in the request that it welcomed positive engagement in the intervening six-month period, to help shape responses to the Collective Request from Members who should be in a position to grant preferences. The request, as with all other requests that had been tabled in the context of the services dossier at the WTO, could be modified, if necessary, without prejudice to the commencement of the high-level meeting in six months. Finally, the waiver decision had been with Members for some time without operationalization. The LDCs' contribution to global commercial services trade was below 1.2%, making them the most marginalised and vulnerable members of the MTS. The Group therefore urged Members to respond to the Collective Request, with the view to granting and or, responding with, preferences that had commercial value and promoted economic benefits to LDCs.

4.4. The General Council took note of the Chairman's report and of the statement.

5 WORK PROGRAMME ON SMALL ECONOMIES – REPORT BY THE CHAIRMAN OF THE DEDICATED SESSION OF THE COMMITTEE ON TRADE AND DEVELOPMENT

5.1. The Chairman recalled that, in line with the framework and procedures agreed by the General Council in 2002, the Work Programme on Small Economies was a standing item on the General Council's agenda and the Committee on Trade and Development reported regularly to the Council on the progress of its work in Dedicated Sessions on the subject. At Bali, Ministers had also adopted a Decision re-confirming their commitment to the Work Programme, instructing the CTD to continue its work in Dedicated Sessions under the overall responsibility of the General Council.

5.2. The Chairman read out the report on work in this area on behalf of Amb. Pierre Claver Ndayiragije (Burundi), Chairman of the Dedicated Session of the CTD, as follows:

"I am pleased to report that the proponents of Small Economies have been discussing their priorities for 2014 and their follow-up activities to the Bali Ministerial Decision on the Small Economies Work Programme.

In this regard, I would like to inform you that the proponents have been working on identifying the relevant information and analysis concerning the challenges and opportunities experienced by small economies when linking into global value chains in trade in goods and services. An identification of some of the key challenges and opportunities relating to GVCs and Small Economies will help Members with their discussions of these issues in the CTD Dedicated Session, as was stated in the Bali Decision.

As Chair of the Dedicated Session on the Work Programme on Small Economies, I fully support and encourage more work on this subject and look forward to further progress."

5.3. The representative of Guatemala, on behalf of the SVEs, said that the SVEs had been discussing their 2014 priorities and follow-up activities to the Bali Ministerial Decision on the Small Economies Work Programme. With respect to the research, working with the WTO Secretariat would allow the SVEs to identify the relevant information and analysis concerning the challenges and opportunities experienced by small economies when linking into global value chains in trade in goods and services. The SVEs looked forward to meeting Members at the CTD Dedicated Session on the Work Programme on Small Economies to have a full discussion on the relevant issues.

5.4. The representative of the United States thanked the CTD Chair for his report and Guatemala for its update on the Small Economies' efforts since the Bali Ministerial. The United States recognized the usefulness of the Secretariat providing relevant information and factual analysis on the challenges and opportunities experienced by small economies when linking into global value chains in trade in goods and services. The United States looked forward to discussing with other interested Members – including in the Dedicated Session – any potential proposal directing the Secretariat to undertake specific work to provide such information and analysis, and also looked forward to further engagement in the Dedicated Session in line with the Bali Ministerial Decision.

5.5. The General Council took note of the report of the Chairman of the Committee on Trade and Development and of the statements.

6 WORK PROGRAMME ON ELECTRONIC COMMERCE – REVIEW OF PROGRESS (S/C/43, G/C/54)

6.1. The Chairman recalled that at MC9, Ministers adopted a Decision on the Work Programme on Electronic Commerce (WT/L/907). In the Decision, Ministers had decided to continue with the positive work under the Work Programme on Electronic Commerce, and had instructed the General Council and its relevant bodies to continue substantially invigorating the work. Ministers had also instructed the General Council to hold periodic reviews, starting in July 2014, based on the reports submitted by the WTO bodies entrusted with the implementation of the Work Programme. Those bodies were the Councils for Services, Goods and TRIPS and the Committee on Trade and Development. Since MC9, all four Bodies had met.

6.2. The Council for Trade in Goods had met on 9 April and 19 June. As Members would note from the report circulated by the CTG Chair under his own responsibility, contained in document G/C/54, despite recalling the Ministerial mandate and inviting delegations to express their views, no Member had made any suggestions on how to carry forward the work on e-commerce. Similarly, the Council for Trade in Services had met 3 times – on 26 February, 8 May and 20 June. The Work Programme on E-Commerce had been on the agenda in each of those meetings. As reflected in the Chair's report circulated on his own responsibility, contained in document S/C/43, a number of issues related to e-commerce had been discussed and one Member indicated that it had been preparing a formal submission for the Work Programme. At the Committee on Trade and Development, e-commerce had been discussed at its meeting on 21 March. The discussion had focused on how Members could take forward the work. A few delegations had expressed their support for the Bali Decision on e-commerce, and had expressed interest in exploring ways to help advance e-commerce trade. However, to date, no proposals for such further work had been received at the Committee. The TRIPS Council had yet to undertake further work on e-commerce.

6.3. Given the cross-cutting nature of the subject, it was natural that the General Council played a central role. Horizontal discussions on e-commerce had been held as Dedicated Discussions. For the past eight years those discussions had been chaired by DDG Singh on behalf of the GC Chair. Since assuming his role as GC Chair, and having consulted widely with Group coordinators and others, he could confirm that Members broadly supported maintaining a horizontal perspective and valued the contribution a "Friend of the Chair" could make in that regard.

6.4. Based on his consultations, there seemed to be a preference amongst Members to appoint an ambassador to carry the work forward. He had asked Ambassador Alfredo Suescum of Panama to facilitate their understanding of the linkages between the various elements of the work programme, and in future would invite him to chair the Dedicated Discussions on his behalf. He was confident that Members would give Ambassador Suescum their full support. On behalf of all Members he thanked Ambassador Suescum for his willingness to take on the task, despite the burdens that already challenged the head of a smaller mission.

6.5. He wished to take the opportunity to also urge Members to move the work forward by submitting proposals and engaging in discussions in the respective bodies as well as in the horizontal discussions to be chaired by Ambassador Suescum. The two workshops held last year under the auspices of the CTD and the CTS had provided positive impetus that provided the foundation for Ministers to have given Members the clear instruction to continue substantially invigorating work that he had mentioned earlier. In fact, the Bali Decision mentioned a number of specific areas where further work should continue, including examining the trade related aspects of e-commerce, and examining opportunities and challenges faced by micro, small and medium sized enterprises.

6.6. The Bali Decision also stated that "*any relevant body of the Work Programme may explore appropriate mechanisms to address the relationship between electronic commerce and development in a focused and comprehensive manner*". Further, the Decision encompassed a moratorium on customs duties, but only until MC10, so Members would need to continue discussing it. A more technical issue was the question of the classification of digital products.

Members would take stock again of the e-commerce work programme at the December General Council Meeting. He hoped they could show substantial, and substantive, progress at that time.

6.7. The representative of the Plurinational State of Bolivia sought clarity in terms of where proposals should be made, whether they referred to development, and if that would be to the new mechanism being created or to the CTD or another Committee. Clarity was needed to know where to address ideas. Bolivia would respectfully request that a proposal in writing be circulated before adoption.

6.8. The Chairman clarified that no new mechanism was being created and no negotiating forum was being proposed. What he was proposing on the basis of his consultations was inviting someone to be his Friend to assist him with the mandate that Ministers had already given to the General Council which he would otherwise had to conduct – to take stock of the work going across. The proposal was very straightforward that Amb. Suescum would perform exactly the role that DDG Singh had performed, which was to assist the Chair in the deliberations at the General Council. Issues of e-commerce and development, as Ministers had already said, had a focus on the Committee on Trade and Development, but could be raised in any of the other groups that had been mandated – Councils on Trade in Goods, Services, and TRIPS. This did not overlap, interfere, complicate the work and the structure that had been well established for the Work Programme.

6.9. The representative of the European Union said that the Bali Ministerial Decision on e-commerce had given Members a clear mandate to continue their work and to aim at concrete deliverables on e-commerce at the WTO. The Work Programme had demonstrated that all Members had an interest and a stake in e-commerce. E-commerce could therefore become an important part of their work in the coming months. The moratorium could be consolidated. Furthermore, Members could draw conclusions of their work of the past three years and in particular from the two workshops, and identify what aspects could benefit from a decision or a specific action at the WTO level. A possibility could be to discuss a series of additional rules or disciplines pertaining for example to consumer protection, e-signature, among others. Those were only ideas and the EU would welcome further discussions and suggestions from Members. The EU supported the Chair's suggestion that the General Council should play a central role and also supported maintaining a horizontal perspective which was needed. The EU welcomed Amb Alfredo Suescum in his new role as a friend of the Chair and thanked him for accepting that. The EU looked forward to productive work in the area in the coming months.

6.10. The representative of Panama, on behalf of Amb. Alfredo Suescum, expressed thanks for the confidence placed by the Chairman and the Membership in Ambassador Suescum for conducting such important work.

6.11. The General Council took note of the Chairman's report and of the statements.

7 TRADE AND THE POST-2015 DEVELOPMENT AGENDA – STATEMENT BY THE DIRECTOR-GENERAL

7.1. The Chairman said that the shared objectives of economic growth, financial stability, poverty reduction, and sustainable development could not be advanced in isolation, but were pieces of an interconnected whole. Trade alone did not produce sustainable development – unless accompanied by sound fiscal and monetary policies, and by the right regulatory environment to be in place. Trade and other development policies should complement each other, and – together with the WTO – a number of other agencies had a fundamental contribution to make. He invited the Director-General to report to the Council about the WTO activities in support of the post-2015 Development Agenda.

7.2. The Director-General said he believed it was important that Members were aware of what had been happening on the post-2015 Development Agenda as it related to trade. Development had always been central to the WTO. The Marrakesh Agreement establishing the WTO made explicit reference to the need to "*raise living standards*" and the need to do so in "*accordance with the objective of sustainable development*". The linkage had been made even more integral with the launch of the Doha Development Round. Trade-led economic growth had contributed significantly to the success of some of the key Millennium Development Goals over the last decade.

7.3. Work on the Post-2015 Development Agenda, and within it a new set of Sustainable Development Goals, was entering its final phase. It had been taking place mostly in New York, through a multi-layered process set up by Secretary General Ban Ki-moon. He had been actively engaged in the process, as had the WTO Secretariat. He believed any development agenda which was people-focused and forward-looking should have a strong emphasis on the economic aspects of human development. And therefore trade should also be central. He had suggested on previous occasions four key principles on the role that trade should play:

- a. First, it should not be reduced simply to trade liberalization. Rather, trade should be recognized more broadly as a development policy instrument;
- b. Second, the WTO and its rules governing global trade had proven their worth in the context of the Millennium Development Goals – both as a building block for economic growth and as a buttress to trade protectionism, especially at the height of the crisis. In this regard, the WTO and its rules should continue to play that role for the post-2015 development agenda through to 2030;
- c. Third, he thought Members should recognize that the Bali Package and the DDA work programme could support the delivery of the new Sustainable Development Goals. For example, work in support of Aid for Trade, the Enhanced Integrated Framework for LDCs was important – as was their work with donors on the WTO Trade Facilitation Agreement Facility. That would support other areas of work across the post-2015 agenda;
- d. And fourth, the Sustainable Development Goals should promote policy coherence at the global level. Sustainable development was a core objective of the WTO, enshrined in the founding Agreement. And, equally, the multilateral trading system should be referenced in the emerging framework of the Post-2015 Development Agenda. Failure to place more emphasis on the role of trade as an enabler for achieving these broader goals would be a real set-back for policy coherence.

7.4. Those were the messages that he had conveyed in his discussions with Secretary General Ban Ki-moon. He had also used other platforms to stress those points, such as UNCTAD's 2nd Public Dialogue on the Post-2015 Development Agenda, which had been held in Geneva in April. He was pleased that some of those messages had begun to resonate, including in the Open Working Group in New York.

7.5. The Open Working Group had adopted a proposal for Sustainable Development Goals on Saturday. The text would be forwarded to the UN General Assembly and would be the basis for incorporating Sustainable Development Goals into the Post-2015 Development Agenda. Trade was reflected in the adopted text on Sustainable Development Goals under Goal 17, which was to strengthen both the implementation of the goals and the global partnership for sustainable development.

7.6. That goal – which was yet to be finalized – currently contained a trade section with 3 targets: the promotion of a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the WTO, including through the conclusion of the DDA; a significant increase in the exports of developing countries, including doubling the LDC share of global exports by 2020; and the timely implementation of duty-free-quota-free market access on a lasting basis for all LDCs, consistent with WTO decisions, including through preferential rules of origin that were transparent and simple.

7.7. However, those were not the only trade-related targets. Other goals also contained targets on WTO issues: correcting and preventing trade restrictions and distortions in world agricultural markets, including through the elimination of all forms of agricultural export subsidies, increasing Aid for Trade including through the EIF, implementing the S&D treatment principle for developing countries in particular the LDCs, prohibiting certain forms of fisheries subsidies which contributed to overcapacity and overfishing, and reaffirming the right of developing countries to fully use TRIPS flexibilities to protect public health and provide access to medicines.

7.8. Overall he thought that was encouraging and demonstrated progress in the debate. But trade was still not as prominent as it should be – particularly under goal 8, which dealt with economic

growth. Trade was a fundamental element of economic growth and development. So he thought Members had more to do. He hoped they would agree that if the post-2015 agenda was to be truly transformative and capable of responding to the growing demands and expectations associated with it, then trade and the multilateral trading system should play their full role.

7.9. The recently adopted proposal on Sustainable Development Goals was a welcome step in that direction, and he would encourage Members to continue engaging constructively with their missions in New York in the coming months. He believed trade had played a central role in lifting millions of people out of poverty in recent decades and in supporting the global endeavour to meet the Millennium Development Goals. What's important was to ensure that that was recognized so that trade could continue to play a similar role in the future, and in the most effective way possible. And he thought it was worth stressing that it was not just the negotiating function of the WTO which could make a substantial contribution to realising sustainable development overall. Their monitoring and transparency functions would also have an important part to play.

7.10. In the context of the global development agenda, he drew attention to some other important development processes that were currently underway and which related to the WTO: the Third International Conference on Small Island Developing States which would take place in Samoa in September and the Second UN Conference on Landlocked Developing Countries which would take place in Vienna in November.

7.11. Meanwhile, the WTO was also collaborating with the UN on monitoring the implementation of the Istanbul Programme of Action for LDCs. He thought it was very important for the WTO to continue to engage in all those global development initiatives and processes. The WTO Public Forum in October would provide an excellent opportunity to focus on those issues. The theme of the Forum was "Why Trade Matters to Everyone". The aim was to draw out the linkages between trade and economic growth; between economic growth and development; and between development and poverty alleviation – and therefore to show the difference that their work could make to people's lives. A full day of the Public Forum would be dedicated to analysing Trade in Africa and how it could help African countries' efforts towards increased economic growth and poverty alleviation. Overall, more than 20 sessions would be dedicated to Africa.

7.12. So there was a lot of work ahead of them. He was sure a clearer picture of the interface between trade and the Sustainable Development Goals would emerge in the next few months. He would be following that very closely, and he hoped all Members would too.

7.13. The representative of the United States was strongly supportive of, and was wholly engaged in, the ongoing process at the United Nations in New York to define a set of post-2015 Sustainable Development Goals (SDGs). While the United States certainly agreed that trade had a vital role in promoting development, it was greatly concerned by the fact that some seemed to believe that work at the WTO was up for discussion and negotiation in New York. On the contrary, the UN had no mandate to negotiate trade matters. In practical terms, the United States would not agree to discuss or interpret existing trade rules through the post-2015 process, nor would Doha Round-related matters be negotiated through it. The many difficult trade issues discussed on a day-to-day basis at the WTO could not be solved through forum shopping – efforts to do so would not succeed and would undermined the WTO itself.

7.14. The representative of the European Union said that the EU was deeply committed to the Post-2015 Development Agenda and took an active role in its preparation. The EU was convinced that trade was a major driver of sustainable growth and poverty reduction and was therefore eager to see the positive contribution of trade to sustainable development reflected in the Post-2015 Development Agenda. At the same time, the EU recalled the primacy of the WTO on its rule-setting function on trade issues. The EU therefore welcomed the expertise that the WTO Secretariat could bring to the ongoing discussion of the Post-2015 Development Agenda and supported its continued contribution to the process. In that spirit, the EU thanked the Director-General for his very substantive report, strongly welcomed his active and productive engagement in the process, and supported particularly the four key principles on the role of trade that he had mentioned. He underlined the comments made on the role of the Bali and post-Bali Agreements, the role that Members could play in achieving important objectives of the Post-2015 Development Agenda. The EU had also taken note of the Director-General comments on the areas where trade-related considerations should play a more prominent role. The EU would certainly pay attention to

those and to the work that was taking place in the post-2015 Agenda Process, and also in the other processes and events that the Director-General had mentioned.

7.15. The representative of Paraguay said that international trade was a significant source of funding for economic activities and of employment fostering the transfer of knowledge and the development of technology, contributing to people's welfare. Its role in alleviating poverty and promoting knowledge should be reflected in the Post-2015 Development Agenda. As a landlocked country, Paraguay was seeking to increase its participation in international trade to reduce poverty and promote development. The LLDCs were making considerable efforts to increase the part played by trade being the primary instrument for creating opportunities. The Millennium Goals had recognized the difficulties faced by the LLDCs on account of their geographical situation, which historically had limited their opportunities to participate in world trade, and those relating to growth and employment. International trade was an alternative to unemployment and economic stagnation, and was directly linked to the development goals. Indeed, the ability to absorb innovation and new technology depended on the level of education and health of the population. That was the only way to diversify their economies and generate new growth. The specific targets relating to trade were important to them. The LLDCs supported and welcomed the Director-General's endeavour to give greater prominence to trade in the Post-2015 objectives. The document prepared for the Second UN Conference on Landlocked Developing Countries due to take place in Vienna, Austria, provided for total support for the special needs of LLDCs and referenced freedom of transit and participation in international trade in the post-2015 agenda.

7.16. The representative of China said that development was the unfinished work for the MDG and for the WTO. The Post-2015 Development Agenda should give top priority to the difficulties and challenges that developing Members, especially African and Least-Developed Countries faced, tackling the development imbalances between the North and the South, narrowing the development gap and pushing for a global development partnership of win-win cooperation to revive international development cooperation. WTO and trade could and should play a crucial role. The Aid for Trade initiative was among the tools that could be used to help the developing Members build trade capacity and enhance their abilities to benefit from the MTS. The new work programme had well captured some pressing issues and emerging trends in Aid for Trade which could work as the basis for future work. China was willing to work with the Chair and the Members to complete the programme and to realise the goal by pushing forward the activities in that area in accordance with the programme.

7.17. The representative of the Dominican Republic said that the Informal Group of Developing Countries had held a Workshop with officials from the Organization and from UNCTAD, with a view to better understand the state of play in the discussions to gain full grasp of the issues and see which way they could contribute. Dominican Republic was very happy to hear the role that the Organization was playing in the discussions on those goals in the Group Meetings in Geneva and in New York. He urged the Director-General to continue to play an active role in the discussion on those goals in New York and stressed that the Dominican Republic would continue to provide its contribution.

7.18. The General Council took note of the Director-General's report and of the statements.

8 TENTH SESSION OF THE MINISTERIAL CONFERENCE – DATE AND VENUE

8.1. The Chairman recalled that, at the May Council meeting, he had announced that, in line with Ministers' instructions, he would start consultations on the matter of the date and venue for the Tenth Session of the Ministerial Conference – MC10. Since then, he had held two intensive rounds of consultations with Group coordinators and with several other delegations. Also, on 2 June, and then again on 10 June, he had sent a fax to all Members inviting any interested delegations wishing to discuss the matter of the date and venue for MC10 to come forward and meet with him.

8.2. Regarding the date, there was a very broad agreement among all delegations and Group coordinators that – in line with the Marrakesh Agreement which provided that "*there shall be a Ministerial Conference every two years*" – MC10 should take place during the first fortnight of December 2015. Members could come back to the precise dates at a later stage, but he believed that, following his consultations, they were in a position to start planning around that time.

8.3. Regarding the venue, in his consultations a number of delegations had stressed that holding a Ministerial Conference abroad carries the fundamental advantage of focusing Ministers' attention to the issues at hand. Other delegations had underlined that a Geneva-based Ministerial Conference offered a number of practical advantages. All delegations he had consulted had expressed their flexibility and willingness to work constructively towards achieving a consensus. He informed the membership that, during his consultations, the Government of Kenya had expressed an interest in principle to host MC10. Kenya was still consulting with the Secretariat and domestically to ascertain what that would entail for the host country. He would also like to thank the Government of Kenya for its expression of interest. He also drew attention to the communication from Turkey which had been received and circulated to all delegations on 23 July, in document WT/GC/160. In the communication, the Government of Turkey formally offered to host MC10. He warmly thanked the Government of Turkey for its kind offer to host the Conference, a sign of its commitment to the Organization and to the multilateral trading system.

8.4. Therefore, he would continue his consultations immediately after the summer break and he hoped that Members would be in a position to take a formal decision at their October General Council meeting, in order to allow the necessary time for the complex logistical preparations that an event of that magnitude required.

8.5. The representative of Turkey recalled in his letter circulated by the Secretariat in document WT/GC/160 that the Turkish Government had expressed its wish to host the 10th Ministerial Conference in Turkey. If the Member Countries responded favourably to that offer which showed clearly the value Turkey attached to the MTS, his country would be honoured to host MC10.

8.6. The representative of Kenya said that the operations of WTO on negotiations and policy guidance placed utmost importance to Ministerial Conferences. Kenya had expressed interest in hosting the important global event and would feel deeply honoured if accorded an opportunity to play a facilitative role in that regard. Kenya had recently hosted comparable events among them: UNCTAD IV Conference, UN Climate Change Conference and in 2014 the ACP Council of Ministers and Joint ACP-EU Council of Ministers. Kenya was confident of having the necessary experience to handle MC10 and hoped that Members would favourably consider its offer at an appropriate time.

8.7. The General Council took note of the statements.

9 IMPROVING THE GUIDELINES FOR GRANTING INTERGOVERNMENTAL ORGANIZATIONS PERMANENT OBSERVER STATUS IN THE WTO – COMMUNICATION FROM THE ARAB GROUP (WT/GC/159)

9.1. The Chairman drew attention to the communication from the Arab Group in document WT/GC/159, requesting the item to be placed on the agenda of the meeting. In that communication, the Arab Group had also requested to re-circulate their proposal on improving the Guidelines for Granting IGOs Permanent Observer Status in the WTO, contained in document WT/GC/W/643. He invited the coordinator of the Arab Group to introduce the item.

9.2. The representative of Jordan, on behalf of the Arab Group, reminded Members that their discussion under the item was based on a proposal by the Arab Group in order to resolve the matter. The proposal had been submitted to the General Council and had been circulated to Members in document WT/GC/W/643 dated 28 October 2011. IGOs had increasingly been involved in the structuring of the world trading system, but too few were invited to take part in the activities of the WTO. Requests for observer status had, for the past ten years, been arbitrary, where the opposition of one or a small number of Members had blocked the prospects for collaboration with IGOs as permanent observers in the WTO.

9.3. He recalled that, the League of Arab States (LAS) submitted numerous requests to become a permanent observer to several bodies of the WTO. Regrettably, all the aforementioned efforts had come to no avail due to positions maintained by two Members. That proved to set a disquieting precedent in the WTO, whereby the consideration of requests for permanent observer status had become, for the first time, a politicised issue that was in direct contravention with the principles of the WTO and the guidelines established under Annex III of the rules of procedures of the Ministerial Conference and General Council.

9.4. Moreover, it was important to recall that the LAS had in fact maintained permanent observer status under GATT 1947. Nevertheless, the LAS continued to be barred from being granted similar status in the WTO. Evidently, that situation was inconsistent with the established procedures, wherein favourable consideration should have been given to the requests submitted by IGOs that had been in the past associated with the work of the Contracting Parties to GATT 1947.

9.5. The LAS played a fundamental role in coordinating Arab positions on trade and trade related matters, and assumed an important role in harmonizing both economic and trade policy amongst its Members. The LAS would therefore satisfy the condition that it had the competence and oversight over trade policy formulation as prescribed by the WTO's relevant rules and guidelines. The LAS also administered the implementation of Arab regional economic and trade integration initiatives and oversaw the implementation of the Greater Arab Free Trade Area (GAFTA). It was interesting to note that despite the fact that the RTA had been notified to the WTO according to prescribed transparency procedures, the LAS had remained outside the boundaries of the WTO.

9.6. Considering the difficulties that some IGOs had faced in having their requests for observer status properly considered by the WTO, it would be useful for Members to evaluate and revise the rules governing the process of granting IGOs observer status in the WTO. There was a need to ensure that any request by an IGO to gain permanent observer status in the WTO should only be gauged on the basis of the technical merits of such requests. Objective and technical criteria needed to be in place to ensure the proper application of the existing guidelines applicable to IGO participation and representation in the WTO. Falling short of attaining the requirement further risked jeopardising the credibility of the WTO as a rules-based multilateral trading system.

9.7. To this end, it was important for the WTO to reflect on its cooperation with IGOs and on the conditions that they should possess to be associated to the WTO. Those conditions should be clear and objective and the observer granting process should be neutral and transparent. The Arab Group invited the WTO Members to refrain from politicising the work of the WTO so that requests for Observer Status should be granted to all IGOs. For more than a decade, some Members had continued to undermine the Guidelines to ensure the participation of IGOs and their contribution to the work of WTO, to ensure the coherence needed in the Multilateral Trading System. Divergence over the interpretation of the Guidelines granting IGOs Observer Status had continued to grow with no clear indication as to how some IGOs had been granted permanent observer status while others continued to be barred from receiving the same status.

9.8. The representative of the Plurinational State of Bolivia considered that the proposals of the Arab Group were very timely for the arguments clearly spelled in document WT/GC/159. Bolivia supported the text put forward by the Arab Group as a good starting point to solve the problem to enable greater participation of other IGOs in the work of the Organization.

9.9. The Chairman thanked the Arab Group for their communication and stressed that he continued to attach great importance to the matter. He would continue his consultations after the summer break and would report to the Council as appropriate.

9.10. The General Council took note of the statements.

10 WAIVERS UNDER ARTICLE IX OF THE WTO AGREEMENT

10.1 SPECIAL TREATMENT FOR RICE OF THE PHILIPPINES – DRAFT DECISION (G/C/W/665/REV.4)

10.1. The Chairman drew attention to the draft decision in document G/C/W/665/Rev.4 which concerned the request for a waiver by the Philippines on special treatment for rice of the Philippines. He invited Amb Joakim Reiter (Sweden), Chairman of the Goods Council, to report on the Council's consideration on the matter.

10.2. Amb Reiter, Chairman of the Goods Council, reported that the Council for Trade in Goods, at its meeting of 19 June 2014, had approved the waiver request submitted by the Philippines regarding the "Special Treatment for Rice of the Philippines". At that meeting, the Goods Council had also recommended that the draft waiver decision contained as an annex to document G/C/W/665/Rev.4, be forwarded to the General Council for adoption.

10.3. The Chairman proposed that, in accordance with the Decision-Making Procedures under Articles IX and XII of the WTO Agreement agreed in November 1995 (WT/L/93), the General Council adopt the draft Decision on Special Treatment for Rice of the Philippines.

10.4. The General Council so agreed.⁹

10.5. The representative of the Philippines conveyed again and for the last time in that setting how deeply pleased and thankful the Philippines was to everyone for making that success possible. The Philippines thanked Amb Joakim Reiter, the previous CTG Chairs including Amb. Dacio Castillo and the General Council Chair for the smooth and sound handling of and leadership in the initiative. The Philippines was also deeply honoured and humbled by Members' patience, and for understanding from the very beginning the critical importance of the pressing issue of food security for 100 million Filipinos. The Philippines conveyed its appreciation to the twelve delegations: Australia, Canada, China, El Salvador, the European Union, India, Indonesia, Japan, Pakistan, Thailand, the United States, and Vietnam, who had deeply engaged and exercised flexibility over the last three years of negotiations, and for the enormous time and efforts they had spent not only in Geneva but also in their capitals. The Philippines also sincerely appreciated the excellent work and support provided by the WTO Secretariat: the Goods Council, Market Access, Legal Affairs Division and General Council. The Philippines also conveyed its deep appreciation to the Advisory Centre on WTO Law (ACWL) for their excellent and objective legal advice from the conceptualisation stage of the initiative to the initiation and final approval stages of the waiver in the CTG and the GC, all the way to the certification by the WTO of its new schedule in rice.

10.6. The General Council took note of the statement.

10.2 REVIEW OF WAIVERS PURSUANT TO ARTICLE IX:4 OF THE WTO AGREEMENT

10.2.1 LDCs – Article 70.9 of the TRIPS Agreement with respect to pharmaceutical products, granted on 8 July 2002 until 1 January 2016 (WT/L/478)

10.2.2 Preferential treatment for least-developed countries, granted on 27 May 2009 until 30 June 2019 (WT/L/759)

10.2.3 United States – Former Trust Territory of the Pacific Islands, granted on 27 July 2007 until 31 December 2016 (WT/L/694, WT/L/927)

10.2.4 United States – Caribbean Basin Economic Recovery Act, granted on 27 May 2009 until 31 December 2014 (WT/L/753, WT/L/928)

10.2.5 United States – African Growth and Opportunity Act, granted on 27 May 2009 until 30 September 2015 (WT/L/754, WT/L/929)

10.2.6 United States – Andean Trade Preference Act, granted on 27 May 2009 until 31 December 2014 (WT/L/755, WT/L/930)

10.7. The Chairman recalled that, in accordance with paragraph 4 of Article IX of the WTO Agreement, "*any waiver granted for a period of more than one year shall be reviewed by the Ministerial Conference not later than one year after it is granted, and thereafter annually until the waiver terminates.*" There were six waivers before the General Council for review. With regard to the waiver in sub-item (i) for LDCs under the TRIPS Agreement, he noted that in connection with the approval of the draft waiver at the meeting of the TRIPS Council in June 2002, the Chairman of that Council had noted that it was understood, in regard to the review foreseen in paragraph 2 of that waiver, that the exceptional circumstances justifying the waiver would continue to exist for least-developed country Members until its expiry date of 2016.

10.8. Four of the waivers under review provided that an annual report should be submitted by the Members concerned regarding the operation or implementation of those waivers with a view to facilitating their annual review by the General Council. The reports from those Members had been circulated in documents WT/L/927 to 930.

⁹ The Decision is contained in WT/L/932.

10.9. The General Council took note of the reports contained in documents WT/L/927, 928, 929 and 930, and of the statements, and reverted to the review of multi-year waivers under Article IX.4 of the WTO Agreement at its meeting in December.

11 DERESTRICTION OF HISTORICAL BILATERAL NEGOTIATING DOCUMENTATION OF THE KENNEDY ROUND – DRAFT DECISION (G/MA/W/113)

11.1. The Chairman drew attention to the Draft Decision on the Derestriiction of some GATT 1947 Historical Bilateral Negotiating Documentation during the Kennedy Round. The material was contained in document G/MA/W/113. The decision had been forwarded to the General Council by the Committee on Market Access through the Council for Trade in Goods in a timely way following its meeting on 19 June 2014. He proposed that the General Council adopt the draft Decision contained in document G/MA/W/113.

11.2. The General Council so agreed.¹⁰

12 COMMITTEE ON BUDGET, FINANCE AND ADMINISTRATION – REPORT ON MEETING OF JULY 2014 (WT/BFA/143)

12.1. The Chairman drew attention to the report of the Budget Committee in document WT/BFA/143. He invited the representative of El Salvador to introduce the report on behalf of Amb. Francisco Lima (El Salvador), Chairman of the Committee on Budget, Finance and Administration.

12.2. The representative of El Salvador, on behalf of the Chairman of the Committee on Budget, Finance and Administration, said that in its meeting in July, the Committee on Budget, Finance and Administration had been informed of the accession of the Republic of Yemen. The Secretariat had indicated and had recommended to the General Council the pro-rata and the contribution to the Working Capital Fund of the Republic of Yemen, as stated in the meeting report, in paragraph 1.2.

12.3. The Secretariat had updated the Committee on the organizational review process initiated by the Director-General at the end of 2013. The Staff had been involved in that process and had been requested to identify the four most important issues: Mobility, Promotions, Rules and Management. In mid-June the rapporteurs of the four focus groups had submitted to the Senior Management the outcome of their work. The Senior Management was reviewing the proposal and would then take a decision. Members had shown great interest in the report and had expressed a strong wish of being consulted and kept informed. Members had also stressed the need to know whether the process would have an impact on the inverted pyramid issue and on diversity. The Committee had also highlighted the importance of operating within a zero nominal growth environment.

12.4. The Chair of the Working Group on After Health Insurance Service, had updated the Committee on its on-going work. The Secretariat had worked closely with the Working Group. The group had already met three times in information gathering sessions to develop a sufficient understanding of the issues. It had studied the actuarial basis of the liability, the structure of the insurance plan, how the plan compared to other international organizations and what approaches they had taken to address their liabilities. After the summer break the group would continue its work by exploring options for addressing the current estimated liability and controlling future increases. The objective was to develop recommendations to assure the long term financial viability and sustainability of the medical insurance plan for WTO staff and retirees.

12.5. The Chair of the Working Group on WTO Financial Regulations had updated the Committee on its on-going work. Those regulations should be aligned with new requirements imposed by the implementation of the International Public Sector Accounting Standards (IPSAS) and to accurately reflect current policies and decisions taken by the General Council. The Working Group had already met five times since its establishment in April. The Working Group had reviewed the current WTO Financial Regulations and identified the sections where revisions would be necessary or desirable.

¹⁰ The Decision is contained in WT/L/933.

12.6. Those two Working Groups would finalise their work by the end of the year and submit their recommendations to the Committee on Budget and then to the General Council for its approval. Members were encouraged to take part in those two important working groups.

12.7. The Head of the Office of Internal Audit had presented the 2013 internal audit report of which Members had taken note. At the same time as part of the report a recommendation had been made for the Committee to look into the feasibility of establishing an Audit Committee which would interact with the Office of Internal Audit. The idea had been interesting to Members. In this regard further discussions would be facilitated on that matter soon after the summer break.

12.8. The Committee had updated with quarterly administrative progress reports related to the budgetary and financial situation and the extra-budgetary funds. The Committee had also been informed about the efforts made by the Director-General to expand the role of the WTO in the Technical Assistance area and the implementation of the TFA, contained in the Bali Package.

12.9. The Chair of the WTO Pension Plan Management Board had presented his report on the on-going actuarial review of the WTO Pension Plan. The Committee would be informed and regularly updated on the work of the Management Board until formal recommendations would be presented.

12.10. The Committee had started reviewing the annual report (to December 2013). The committee had taken note. Due to time constraints, the Committee would come back to the report on the overall grade structure and promotions within the Secretariat in order to finalise its analysis on its next formal meeting in September. It was important to highlight that according to the report the Secretariat was making progress on controlling staff costs and rationalising the grade structure by recruiting at lower grades. The Secretariat was also encouraging the reallocation of staffing resources to respond to changing priorities. The Committee had requested clarifications on aspects of the report and an update on developments related to the Organizational review. In that context, an informal CBFA meeting had taken place on 21 July to further discuss those points.

12.11. The General Council took note of the statement, approved the Budget Committee's specific recommendations in paragraph 1.2 of its report and adopted the report in WT/BFA/143.

13 WTO PENSION PLAN

13.1 ANNUAL REPORT OF THE MANAGEMENT BOARD AND REPORT OF THE EXTERNAL AUDITOR THEREON FOR THE YEAR ENDING 31 DECEMBER 2013 (WT/L/924) AND LETTER OF FINAL COMMENTS ON THE FINANCIAL STATEMENTS OF THE WTO PENSION PLAN FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013 (WT/L/925/Rev.1)

13.1. The Chairman drew attention to the annual report of the Management Board for 2013 contained in document WT/L/924, which was submitted to the General Council in accordance with Article 5(d) of the Regulations of the WTO Pension Plan. He also drew attention to the Letter of Final Comments on the Financial Statements of the WTO Pension Plan for the Financial Year ended on 31 December 2013 in document WT/L/925/Rev.1.

13.2. He read out the report on work in that area on behalf of Mr Krzysztof Trepczyński (Poland), Chairman of the Pension Plan Management Board, as follows:

"I am pleased to present on behalf of the Management Board of the WTO Pension Plan the 2013 Annual Report and the Report of the External Auditor. We are pleased to report that we have again received a full certification of the financial statements without reservation.

2013 was a good year in terms of both governance and investment return. In the area of governance, you may recall from the 2012 report that the Management Board initiated a risk-based review of governance and actuarial issues as central to its work plan for 2013. The Management Board met seven times in formal meetings, nine times in working group meetings and multiple times in informal sessions of these working groups. The working groups reviewed and addressed risks related to actuarial governance, investment governance and general governance.

In the area of investment, the Management Board's investment strategy followed closely its benchmark and delivered a real rate of return of 8.4% (versus 7.1% for the benchmark) which is above the long-term target rate of return of 3.5% used in the actuarial assumptions of the Plan. More information on the investment philosophy and strategies of the Management Board and details on the allocation of assets can be found in the report.

As previewed in the 2012 Annual Report, the introduction of International Public Sector Accounting Standards (IPSAS) by the WTO brings new dimensions and increased interest from stakeholders in monitoring and evaluating the long term viability of the Plan. The introduction of IPSAS also raises questions and poses challenges for both the Plan and the Organization. For example, the recommendation of the external auditors that the financial reporting of the WTOPP should be consolidated with the reporting of the WTO. This is a question that both, the Management Board and the WTO's Committee on Budget, Finance and Administration, will be considering during the current year.

Despite the strong recent investment performance, we cannot overlook that most recent formal actuarial valuation suggests there is a modest imbalance in the actuarial position of the plan. Therefore, it is important to note that the actuarial working group is actively developing recommendations that will eventually be shared with the Committee on Budget Finance and Administration to address this imbalance. Bearing in mind the advice of the external auditor the working group aims to have a preliminary set of recommendations to the Management Board before the end of 2014.

It is helpful to keep in mind that the WTOPP is a relatively young plan. It has a modest (but growing) number of beneficiaries claiming benefits from the Plan and continues to be in a solidly cash-flow positive position (meaning that the contributions to the Plan each month exceed the benefits paid out). This status means that the Plan can take a long-term view on managing its assets and its estimated liabilities. Important decisions about the management of the Plan can be carefully deliberated and thoughtfully implemented.

The Pension Plan is a long term initiative and its sustainability depends on a large number of highly uncertain variables whose future values the Management Board makes its best efforts to estimate reliably. Global economic conditions such as growth and inflation rates, demographic trends such as longevity, and changes in the profile of the WTO staff will all significantly influence the context in which the Management Board will have to govern the Plan.

This will clearly require the attention and engagement of all stakeholders in the years ahead. There will again be difficult issues to resolve. Only by working together constructively and collaboratively will solutions be found. Balanced compromises will have to be made to keep the Pension Plan a viable and critical component of the WTO's ability to recruit highly qualified staff from around the world."

13.3. The General Council took note of the Annual Report of the Management Board for 2013 in document WT/L/924, of the Letter of Final Comments on the Financial Statements in document WT/L/925/Rev.1, and of the statement.

13.2 AGREEMENT ON THE TRANSFER OF PENSION RIGHTS OF PARTICIPANTS IN THE WTO PENSION PLAN (WTOPP) AND IN THE COORDINATED AGENCIES PLANS (WT/GC/W/682)

13.4. The Chairman drew attention to WT/GC/W/682. He recalled that Article 10 of the Regulations of the WTO Pension Plan provided that the Management Board of the Plan could, subject to the concurrence of the General Council, approve agreements with Member Governments and with Intergovernmental Organizations with a view to securing continuity of pension rights for participants in the Pension Plan.

13.5. The WTO, with the concurrence of the General Council, had already concluded standard agreements with six coordinated agencies. The WTOPP Management Board had recently approved extending the agreement to three additional coordinated agencies, subject to the concurrence of the General Council: The European Organization for the Exploitation of Meteorological Satellites

(EUMETSAT); European Institute for Securities Studies (ISS); European Union Satellite Centre (Satcen). The three agreements were consistent with the previous transfer agreements signed with the other coordinated agencies and had been reviewed by the WTO legal advisor.

13.6. The Chairman proposed that the General Council take note of his statement and concur with extending the Agreement on the Transfer of Pension Rights of participants in the WTO Pension Plan and the Coordinated Agencies plans to the three agencies he had just mentioned.

13.7. The General Council so agreed.

13.3 ELECTION OF A MEMBER – PROPOSAL BY THE CHAIRMAN OF THE GENERAL COUNCIL (WT/GC/W/683)

13.8. The Chairman recalled that Article 4(a) of the Regulations of the WTO Pension Plan provided, *inter alia*, for the election by the General Council of a Chairman, four members and four alternates to the Management Board of the Pension Plan.

13.9. In a communication circulated to delegations in document WT/GC/W/683, he had indicated that a member, Ms Aiko Kimura (Japan), previously elected to the Management Board by the General Council, had been no longer available to serve on the Board, and that it had been therefore necessary for the Council to decide on her replacement. In his communication, he had proposed a name of a representative who had kindly agreed to have his name put forward for election as member. He had also invited delegations to submit any comments they could have regarding the proposed nomination by close-of-business on 16 July. He informed delegations that he had not received any comments regarding the proposed nomination.

13.10. The Chairman proposed that the General Council elect Mr Robert Prochazka (Austria) to serve as member on the Management Board for the remainder of the term.

13.11. The General Council so agreed.¹¹

14 UNITED NATIONS DESIGNATED INTERNATIONAL YEAR OF THE SIDS – STATEMENT BY BARBADOS

14.1. The representative of Barbados, speaking under "Other Business", said that the UN had declared 2014 as the International year of the Small Island Developing States (SIDS). It had offered SIDS groups across the world an opportunity to convey to international organizations the need to consider the special circumstances and vulnerabilities of SIDS in the executing their programmes. SIDS in Geneva-based organizations had decided that they should contribute to marking the year as the international year of the SIDS to supplement the efforts made at the level of the UN in New York which were scheduled to culminate in a conference launching the Third International SIDS conference in Samoa in 1-4 September 2014. The first conference had been held in Barbados in 1994 and the second in Mauritius in 2005. At the UN in New York, a zero draft Outcome Document had been developed and placed online by the SIDS co-chairs to which interested persons and organizations could make inputs with a view to trying to ensure that the Outcome Document had reflected their views. The document brought attention to the well-known disadvantages of diseconomies of scale and high transport costs due to long distances and small load factors which adversely impacted industrialisation and on the ability to attract FDI. The document noted that many SIDS faced continued degradation of their coastal and marine environments and water insecurity which impacted tourism, their single most important income earning activity, and their fiscal situations. The draft had also highlighted that many islands were prone to natural disasters made worse by climate change. Those significant expenditures and economic reversals due to natural disasters had contributed to significant levels of debt in many island states, particularly those which had been experiencing low and negative growth rates.

14.2. To facilitate their contribution to the outcome document, a Seminar and High level Round Table had been held by SIDS on 20 June in Geneva. Barbados was honoured by the participation of several CEOs of international organizations in Geneva at the High-Level Round Table, including the WTO. Managing vulnerability, building resilience and developing strong partnerships for

¹¹ The Decision is contained in WT/L/934.

accessing support from willing international organizations and groups had been an important theme of the seminar. Another important theme had been debt and the need to modify the use of per capita GDP as the main measure of development as it applied to SIDS since that could give a false impression of the well-being of those islands. There had been a call for improved access to the resources of International Financial Institutions by SIDS and the need to include factors such as small size and vulnerability into the eligibility criteria. On the theme of Climate Change - coastal degradation and the impact of climate change on SIDS, resulting in high maintenance costs per capita of those economies had been explained by many causes not of their own making and for which, responsibility should be shared by the rest of the planet. A Chair's report and proceedings document had been prepared setting out recommendations arising from the Seminar and Round Table and had been sent to the Co-Chairs and to the President of UN General Assembly in New York to be used as inputs into the revised draft of the Outcome Document for the Samoa Conference. Building on the theme of sustainability, SIDS had also mounted a photo exhibition on the theme of disaster risks and climate change and their impact on SIDS. The Samoa Conference would serve as a forum to build on existing successful partnerships and to launch innovative and concrete new ones, to advance the sustainable development of SIDS, and would include six multi-stakeholder partnership dialogues. Side events sponsored by Governments, UN system and other Inter-Governmental Organizations, and Major Groups, would be organized during the Conference. Geneva SIDS was in the process of considering those recommendations and suggestions of Geneva SIDS, arising from the Seminar and Round Table, which could most effectively be fed into the post-2015 sustainable development goals being finalised in New York.

14.3. The representative of New Zealand reaffirmed the importance his country attached to the conference, being a friend of SIDS and co-Chair of the broader Geneva SIDS caucus, by helping its partners in Samoa to host. New Zealand looked ahead to the Third Conference on Small Island Developing States with great anticipation. Being a small country and an island state, many of New Zealand's closest neighbours and development partners were SIDS and its long-standing support for SIDS reflected its own place in the world. New Zealand was especially pleased that the Conference would be held in the South Pacific which, together with many SIDS, it called home. The Third International Conference presented a highly significant opportunity to galvanise international action in support of SIDS, to highlight important issues for SIDS and to focus on partnerships for their sustainable development, both between member states and with local and international NGOs. The Third International Conference provided an opportunity to refresh the international understanding of SIDS' priorities and identify action and partnerships to address. New Zealand recognized the particular trade and development challenges faced by SIDs, including those in the trade area. Those included challenges related to transport, energy, infrastructure, and vulnerability to climate change and natural disasters. Work in the WTO could make a positive contribution to addressing those challenges particularly in key areas such as fisheries, trade and environment, and aid for trade. New Zealand stood ready to work with SIDS and other Members to progress those issues and others of importance to SIDS within the WTO. As touched upon in the Director-General's update, it would also be important to ensure appropriate recognition of the role of trade in development in the context of the Post-2015 Development Agenda. Members should also ensure that the particular trade and development challenges facing SIDS were duly reflected.

14.4. The General Council took note of the statements.

15 WITHDRAWAL OF INVOCATION OF ARTICLE XIII WITH RESPECT TO CHINA – STATEMENT BY EL SALVADOR

15.1. The representative of El Salvador, speaking under "Other Business", informed Members that as of 2 July 2014, the Government of the Republic of El Salvador had withdrawn its reservation with respect to the People's Republic of China under Article XIII of the Marrakesh Agreement Establishing the World Trade Organization. That was reflected in document WT/L/926 where there would be an aptly occasion between parties of the WTO Agreements. El Salvador had wanted to draw Members' attention to that piece of information.

15.2. The General Council took note of the statement.

16 TRADE RESTRICTIVE MEASURES OF CERTAIN MEMBERS – STATEMENT BY THE RUSSIAN FEDERATION

16.1. The representative of the Russian Federation, speaking under "Other Business", felt that the issue was of high importance for the WTO and the future of the MTS as a whole. On 16 July the US had introduced another package of sanctions against several Russian companies and financial institutions, including "Rosneft", "Novatek", "Gazprom", "Vnesheconombank" and others, restricting their access to American long-term financial and credit markets. The Russian Federation had already drawn Members' attention to the numerous violations of the core WTO commitments represented by the recently introduced anti-Russian US and some other Members' restrictions. The prohibition imposed by the US on transactions related to property, including freezing of assets, directly violated of the US obligations under the GATS - MFN (GATS Article II) and National treatment (GATS Article XVII), Market Access Commitments (GATS Article XVI), Specific Commitments, Domestic Regulation Disciplines (GATS Article VI) and Payments and Transfers Rules (GATS Article XI). The Russian Federation deeply regretted, however, that the US was expanding restrictive measures to new companies. Those actions were posing not only a violation of the US obligations under the GATT, including Articles I, III and XI, but also seriously hampering bilateral business ties. All those destructive actions by the US interfered with business operations of the companies which the US authorities were trying to situate in the political context which they neither belong to nor were in any way part of. The Russian Federation was concerned on measures against Russian trade and economic interests contradicting the WTO rules, announced by some other Members. The recent US sanctions against Russian companies challenged the Russian Federation's trade and economic interests guaranteed by the WTO regulations. The Russian Federation felt to be forced to seek the protection of its legitimate rights and interests through the WTO mechanisms. Thus, the US sanctions could cause the unfortunate chain of events that would ultimately undermine the credibility of the MTS. The Russian Federation had joined the WTO firmly believing that it was rules-based and politically unbiased. It expected that the activities of the WTO and its Members would remain constructive, responsible and politically neutral.

16.2. The representative of the United States underscored that, with regard to the issues raised by the Russian Federation, the United States took its obligations under the WTO Agreement very seriously. Prior to instituting the measures referenced in the Russian Federation's intervention, including measures announced on 16 July, the United States had carefully considered their consistency with WTO rules. The United States remained confident that all of those actions were consistent with its WTO obligations.

16.3. The Chairman recalled Rule 25 of the Rules of Procedure of the General Council, which provided that "*Representatives should avoid unduly long debates under 'Other Business'. Discussions on substantive issues under 'Other Business' shall be avoided, and the General Council shall limit itself to taking note of the announcement by the sponsoring delegation, as well as any reactions to such an announcement by other delegations directly concerned.*"

16.4. The representative of Cuba thanked the Russian Federation for informing Members of the situation that had been already raised in several WTO bodies. The use of discriminatory and restrictive measures against Russia blocked access to the assets of individuals and legal entities in that country in clear violation of the US commitments in GATS and other WTO Agreements. Cuba supported Russia's statement and stated that it had been a victim of these kind of actions by the US Government for over 50 years through the illegal, immoral and genocidal economic, commercial and financial blockade against its country. Cuba drew Members' attention to a communication in document WT/GC/COM/10¹² denouncing the record fine imposed by the United States to the BNP Paribas French bank for having processed thousands of transactions with Cuban entities. Cuba rejected any unilateral restrictive measure that could affect not only trade in services but also other trading areas which had an extraterritorial nature and that were arbitrary NTBs. It was unacceptable that some Members used trade restrictions that violated the basic WTO principles and that had a negative impact for the MTS as a whole to solve political issues.

16.5. The representative of Nicaragua, shared the concerns aired by the Russian Federation regarding the restrictive measures adopted by some Members of the Organization which ran counter to the provisions of the WTO Agreements. Nicaragua urged those Members who had adopted such measures to bring those measures into conformity with the provisions of the WTO.

¹² The communication is incorporated by reference into the present records.

16.6. The representative of the Bolivarian Republic of Venezuela thanked the Russian Federation for bringing those concerns to the General Council. The Russian Federation had referred to a series of measures of systemic importance: sanctions, prohibitions and measures which could maybe not be justified under the legal framework of the Organization which could provide a dangerous precedence for all Members of the WTO. Venezuela echoed those concerns which should be taken into account because they could have counterproductive consequences for the Organization.

16.7. The representative of Argentina shared, for systemic reasons, the concerns expressed by the Russian Federation on the inconsistency of unilateral measures taken against its country on the WTO Agreements and fundamental principles of the Organization regarding MFN treatment.

16.8. The representative of the Plurinational State of Bolivia said his country had been following with great attention what it considered a systemic issue and attached importance to the concerns raised by Russia. He noted that some Members had said that they took their WTO obligations very seriously and enquired whether those countries had notified the WTO the adopted measures to better understand their implications.

16.9. The representative of the European Union said that with regard to the issue raised by the Russian Federation, the EU, like the US, took its obligations extremely seriously and trusted that the measures it had taken were consistent with WTO rules.

16.10. The representative of Zimbabwe said that Zimbabwe was one of those countries that had suffered from unilateral coercive measures by some Members of the Organization and shared the concerns raised by the Russian Federation. Zimbabwe felt that it was an issue of systemic concern and urged those Members who had the tendency to violate some of their obligations under the WTO rules to desist from doing that forthwith and to call those who had imposed similar measures on Zimbabwe to withdraw them immediately.

16.11. The representative of Ecuador echoed the systemic concerns expressed, and in particular when they related to the basic principles of the Organization.

16.12. The representative of Canada said that although Canada had not been mentioned by name by the Russian Federation, he wished to reiterate the comments it made when the issue was raised on some Canadian measures, and to remind Russia and other Members that it took its WTO obligations very seriously, and that Canada's measures were fully consistent with its WTO obligations.

16.13. The General Council took note of the statements.

17 CHAIRMANSHIPS OF THE WORKING PARTIES ON THE ACCESSION OF BELARUS AND ON THE ACCESSION OF BHUTAN – STATEMENT BY THE CHAIRMAN

17.1. The Chairman, speaking under "Other Business", informed Members that, following consultations with Members of the Working Party and the authorities of Belarus, and in keeping with usual WTO practice, it had been agreed that Amb. Mehmet Haluk Ilicak (Turkey) would serve as Chairman of that Working Party.

17.2. He also informed the Council that, following consultations with Members of the Working Party and the authorities of Bhutan, and in keeping with usual WTO practice, it had been agreed that Amb. Thomas Hajnoczi (Austria) would serve as Chairman of that Working Party.

17.3. On behalf of the Council, he thanked both Amb. Ilicak and Amb. Hajnoczi for agreeing to serve as Chairs of those two Working Parties.

17.4. The General Council took note of the Chairman's statement.

18 CHAIRMANSHIP OF THE COUNCIL FOR TRADE IN GOODS

18.1. The Chairman, speaking under "Other Business", announced that Amb. Joakim Reiter (Sweden) would soon relinquish his post and it would be necessary to hold consultations to appoint a new Chair for the Council for Trade in Goods. He intended to take up consultations on that

appointment after the summer break, with the assistance of Amb. Fernando De Mateo (Mexico), Chairman of the Dispute Settlement Body.

18.2. The General Council took note of the Chairman's statement.

19 ADMINISTRATIVE MEASURES FOR MEMBERS IN ARREARS – STATEMENT BY THE CHAIRMAN

19.1. The Chairman, speaking under "Other Business" recalled that the new revised Administrative Measures for Members in arrears, contained in WT/BFA/132, Annex I, had entered into force on 1 January 2013. Those measures included a requirement that, at the end of each meeting of the General Council, the Chairman of the Committee on Budget, Finance and Administration should provide information with regard to which Members and Observers were under Administrative Measures. He invited the representative of El Salvador to provide the information on behalf of Amb Francisco Lima (El Salvador), Chairman of the Committee on Budget, Finance and Administration.

19.2. The representative of El Salvador, on behalf of the Chairman of the Committee on Budget, Finance and Administration, reported that since 1 July Israel, Ukraine, Trinidad and Tobago, Madagascar, Kingdom of Saudi Arabia, and Oman had made a payment for their contributions. There were 4 Members in Category 1: Benin, Cameroon, Tanzania and Vanuatu. There were 3 Members in Category 2: Antigua and Barbuda, Saint Vincent and the Grenadines, and the former Republic of Macedonia. There were 6 Members and 1 Observer in Category 3: Central African Republic, Dominica, Grenada, Guinea-Bissau, Mauritania, Sierra Leone, Sao Tomé and Príncipe (Observer).

19.3. The Chairman said that he was required at each General Council meeting to formally ensure those Members and Observers in Categories II and III to inform the Secretariat as to when their payment of arrears could be expected. He would be ensuring follow-up with the Secretariat in that regard.

19.4. The General Council took note of the statements.

ANNEX 1

H.E. AXEL M. ADDY'S ADDRESS TO THE GENERAL COUNCIL OF THE WORLD TRADE ORGANIZATION

On behalf of our President, H.E. Ellen Johnson Sirleaf, the Government and the people of Liberia, let me express my warm greetings and gratitude for the unusual honour of addressing the General Council, even as an acceding Government. We thank the Chair of the General Council, Ambassador Jonathan Fried, and Director-General Azevêdo for this generous opportunity. We thank Director-General Azevêdo for his leadership at Bali.

Liberia would like to underscore its firm commitment to join the multilateral trading system by the end of 2015. With support from Members, the WTO Secretariat, and other donor Organizations (EIF, Sweden and the ITC), Liberia has accelerated preparations for our second Working Party Meeting. We are fully engaged and the domestic reform process is well underway.

At the same time, as a post conflict Least Developed Country, Liberia acknowledges it has many challenges ahead: Liberia must diversify our exports away from rubber and iron ore which currently make up 95 per cent of Liberia's total export earnings. We must also find jobs for our nation's youthful population and grow our depth of capacity to be able to compete on a world stage. That is why we rely upon Members' continued support for our timely accession. Surely, as a Chief Negotiator, I would guarantee my team's technical and substantive engagements for our accession process.

Finally, I welcome the Trade Facilitation Agreement and the recently launched Trade Facilitation Agreement Facility which provides the needed support to developing and least-developed countries. Again, as a member of ECOWAS, the AU and ACP, this facility is a resounding response to the advocacy for the support that LDCs need to implement the Trade Facilitation Agreement.

Upon accession, Liberia also would like to be an active Member strengthening and safeguarding the multilateral trading system.

ANNEX 2**STATEMENT BY YEMEN ON THE CHAIRMAN'S WELCOMING REMARKS TO THE
160TH MEMBER OF THE WTO**

Thank you very much, first and foremost, for the kind words towards Yemen's accession. This is Yemen's first formal General Council Meeting as a full-fledged Member of the WTO. We feel privileged and honoured to be part of this significant international Organization. Thank you also for giving us the floor. We know that there agenda items of importance today and I am not going to give a long speech. I only have few thoughts that I need to convey to you Mr Chairman and to the Membership.

Unfortunately, our Ambassador is not in town. He is back in the Capital. Otherwise, he would be here setting and delivering this short statement. On his behalf, I would like to extend his sincere gratitude to the WTO Membership for enabling Yemen to take its proper seat, which you can see at the heart of this room. I would also like to equally convey the appreciation of the Minister of Industry and Trade of Yemen, Dr Saad Aldin Ben Taleb, to the WTO Membership. His thanks also goes to the Director-General and the WTO Secretariat for making Yemen's accession achievable during MC9. Yemen is also very grateful for the valuable support received from several Members sitting in this room, the Secretariat and international and regional Organizations during its accessions journey.

Yemen needed to conclude its accession to the WTO as a first step to meaningfully integrate into the Multilateral Trading System symbolized by this august Organization. The long and difficult road to Membership was successfully concluded and Yemen became the 160th Member after almost one month ago from today. The welcome banner is still hanging which seems to be breaking a record for the length of stay in there which we sincerely appreciate. It stands also as a momentous symbol of becoming part of the WTO family.

My Delegation pledges to work diligently and constructively with fellow WTO Members to maintain the integrity of the WTO system, the Multilateral Trading System, and reaching the safe shores of the WTO with development at heart. My Delegation is looking forward to seeing the good spirit of Bali prevail during the remaining months of this year and the envisaged work programme timely finalized on the road to concluding the DDA.

As a fresh graduate from the accessions process that took more than a decade, setting almost another record number of years for an acceding LDC, my Delegation feels the urgency to enable other fellow acceding countries to join the WTO as soon as possible. Yemen's humble experience in that respect shall be made available to all interested acceding countries.

Finally, my Delegation would like to register its association with the statements that shall be made by the Arab and the LDC Groups, both on the first agenda and the latter agenda items 2, 3 and 4.

As this General Council Meeting marks the end of the first half of this year, I wish all a very restful summer vacation and have time to clearly reflect on the way forward in the next months.

ANNEX 3**TNC CHAIRMAN'S REMARKS AT THE INFORMAL TNC MEETING AT THE LEVEL OF HEAD OF DELEGATION HELD ON 25 JUNE 2014¹**

Good morning everybody.

As I outlined at the meeting of the TNC in April and the General Council in May, we are now in the second phase of our discussions on the DDA work programme.

This second phase is focused on resolving the problems that we have been outlining, testing what went wrong and putting forward potential solutions.

The work is taking place at three levels:

- First, through the negotiating group chairs
- Second, in conversations between Members, which I hear are beginning to develop and deepen – and this is very welcome.
- And third, through my own consultations.

In a moment I will give you my overview of how I see this work progressing. But I will start by asking the Negotiating Group Chairs to give their reports on how the discussions have developed in their respective areas.

[The TNC Chair gave the floor to the Chairs of the Bodies established by the TNC– Statements are reflected in the Annexes.]

Before I turn to the main focus of my remarks, I would like to raise something which is not an immediate part of our TNC work – but which could be of great relevance to our chances of making progress here. This relates to the implementation of the Trade Facilitation Agreement.

I am aware that there are concerns about actions on the part of some delegations which could compromise what was negotiated in Bali last December. As Chair of the Trade Negotiations Committee, I have no doubt that you are all very much aware of the implications of revisiting what was agreed in Bali. It would not only compromise the Trade Facilitation Agreement – including the technical assistance element. All of the Bali decisions – every single one of them – would be compromised. Everything we worked together to achieve in Bali would potentially be lost.

On Section 2 of the Trade Facilitation Agreement I know from my consultations that there are concerns among developing and least-developed Members about accessing the necessary support. So we have been working very hard to address these concerns and ensure the provision of technical assistance to everyone, without exceptions.

My team and I have been intensely talking to donors and consulting with the Coordinators of the ACP, African and LDC Groups to try to find a solution that would allow the WTO to assist those seeking technical assistance and capacity building support. Such a solution should:

- create the best possible conditions for the flow of information between donors and recipients on their needs and options;
- assist Members in preparing and updating their needs assessments;
- help Members to develop technical assistance projects;
- identify possible development partners for countries that might have had difficulties doing so by themselves;
- and ensure that resources are available for all those seeking technical assistance.

We expect to be able to set out a new WTO facility along these lines before the summer break.

¹ Issued as JOB/TNC/39.

I need not point out that most likely all of this would be lost if we compromise what was negotiated in Bali. And I am afraid a similar outcome could be expected for the work programme on the DDA. Revisiting the Bali agreements would not improve our chances of getting the DDA done. In fact it would have precisely the opposite effect. This is a serious issue for our work here. While I have stressed that this is not strictly a TNC issue, it does have implications for our work.

However, not least because the consequences would be so significant, I am confident that we will find a way forward which allows us to honour what was agreed in Bali and deal with any specific concerns. Clearly this is something which we will need to watch very closely.

Turning back to the focus of this meeting, from the chairs' reports and from what I hear in my own consultations with individual delegations, it seems to me that we are now firmly into the second phase of discussions on the DDA work programme.

Members are engaging at a more substantive and strategic level. You have begun to talk about substance. In the first phase we were talking more about process and how to reengage, and we agreed on some broad principles.

- To keep development at the heart of our efforts
- To balance realism and ambition by focusing on what is doable
- To be creative and open-minded
- To recognize that the big issues are interconnected so must be tackled together
- To be inclusive and transparent
- And to maintain our sense of urgency

These principles have been widely adopted by Members, and they should continue to guide discussions in this second phase. I think we heard this in the chairs' reports today.

But, it seems to me that while Members are observing the principles, we are still not at a point where the conversations actively and resolutely seek potential solutions. We are still in a different type of conversation that is more concerned about pointing to the problems that we find in each other's positions. Members are ready to point fingers at insufficiencies in other Members' positions. Members are also quick to say that they cannot do this and that, and to mark out their red lines. But I am not hearing – not from anyone – about what they can do. I am not hearing what they can put on the table that would make trade-offs possible.

On the positive side, all of you have indicated that you are ready to contribute. But our dialogue is falling short of determining more precisely where and how that contribution would take shape. This is the next step we will need to take if we are to look at what the solutions might be and find where the balance between the different positions may lie. So this is what we are now beginning to explore. It is hard work. And it means that Members will need to ask themselves some tough questions. But there is no other way of doing this.

I believe it is useful to dispel certain rumours that I have heard in the corridors. One of them concerns a paper that is supposedly going to come from me, or from someone else, which would provide a magical path forward. Let me clear yet: this is not going to happen. I do not know how much more clear I can get! This will be a bottom-up process. Any roadmaps will have to come from Members – they will have to come from you. There are no magic solutions or short-cuts here.

Another rumour is that I have been holding meetings with a small group of countries. And so, again, I want be clear – I am not holding meetings with small groups of delegations. Indeed, there have been no group meetings whatsoever with me. I am talking to delegations individually – this is no secret. And not just to a small number of specific delegations, but to many different delegations on many different issues. If and when I hold meetings with some delegations, it will be in a transparent fashion and you will be the first to know. I will try to help and facilitate the conversation and I am willing to intensify my consultations if it is helpful. But this is your process – it has to be led by you. That is why it is so important that you continue to deepen your conversations with each other in this second phase.

Clearly we are in a very different scenario from when we were preparing for Bali with open-ended meetings in Room W – all-nighters – you remember how it was. We will get to that stage in due

course – you will get your sleepless nights! But we are not there yet – we have some way to go. As I see it, we are still at the stage of laying the foundations.

A lot of work needs to be done in setting the terrain and preparing the ground before we can begin to build. People may not see concrete things happening at the moment – you cannot yet see the edifice rising. Some may find it frustrating, and it may well be. But this is essential work. If we do not do it right then the building will never go up – or it will fall before it is complete. But, if we prepare the ground correctly and construct solid foundations then, when we are ready, I think the building will go up fairly quickly. So I believe that this kind of work is critical. The conversations you are having with each other to test positions and test ideas are critical; as is the work of the negotiating group chairs – and as, I hope, are my own consultations. So we need to continue this work and to redouble our efforts.

What is important to remember is that work is being done, we have genuine engagement, and we are talking substance. We are sowing the seeds. They need time to germinate.

I am sure that we all feel the presence of the December deadline, just beyond the horizon. But I think there are reasons for a positive attitude. In recent weeks we have moved from talking about process, to talking about substance – with a focus on the three pivotal and interlinked areas of agriculture, NAMA and services. And let us remember that this is something that has not happened for 6 years. Moreover, we have defined a set of clear principles for the conversations ahead.

And Members have been very open and constructive. We are not throwing away the work that was done before. This is extremely important – it must be emphasized. But we are being open-minded about how to close the existing negotiating gaps.

So let us continue developing our work at each of the three levels – with a renewed focus on what Members can do. And let us keep preparing the ground. If we do this properly, we will be able to construct the clearly defined work programme that we were tasked to deliver by the Bali declaration. Thank you very much for listening.

ANNEX 4**STATEMENT BY MEMBERS AT THE INFORMAL TNC MEETING AT THE LEVEL OF HEAD OF DELEGATION HELD ON 25 JUNE 2014**

At their request, the statements made by a number of delegations at the above-mentioned meeting are included below as part of the Minutes of the General Council meeting.

1. China

First of all, let me join other colleagues in thanking you and the Chairs of negotiation bodies for the updating reports. And, as a Member of RAMs, G33 and G20, we readily support the Statements made by Indonesia, Brazil and Chinese Taipei on behalf of these three groups.

Since last TNC meeting, there have been serious and constructive engagements among Members. You and the Chairs of negotiation bodies played a central role in the process. It is true that we are still searching solutions to achieve our anticipated objective, but it is also true that the momentum has been good and the direction of our work is right.

Our task is clear, that is to finish the formulating of the work program by the end of this year, and conclude the Doha Round negotiation at MC 10 next year. But this is no easy task. In today's post-Crisis era, global trade is slowing down. The only way to reverse this worrisome trend is get this Doha job done sooner than later.

As we are now approaching a more substantive stage, I believe we do need a sense of urgency and sense of duty.

First, development should always stay in the heart of this round. We should listen carefully to the voices of developing Members. Any solution should put the concerns of developing Members, and the LDCs in particular as the top priority. Special and Differential Treatment, less than full reciprocity and other well-known concerns of the developing Members should be fully respected and reflected in making of the Work Program.

Second, this exercise is multilateral in nature, which calls for the spirit of bottom-up, member-driven, inclusiveness and transparency as proposed and emphasized by you. All members, big or small, rich or poor, are equal in this Organization. Voices of all members should be heard. Each and every Member has the legitimate right to know clearly and promptly what is happening around this small town of Geneva.

Third, "doable" is the key word. No doability, no solution. Doability, as I see it, means: One, appropriate adjustment of the level of ambition; Two, action by all Members through common efforts. These are the keys to open the door of Doha Round, and these keys are in the hands of all Members. We need to take care of each Member's interests and concerns. Only in this way can we make the 2014 possible.

Fourth, recently there are some solution-oriented ideas flying around. We do not resist exploration, but we should not give up 2008, unless and until we have found these ideas more doable and acceptable to all Members. If certain adjustment or simplification of the ambitions, as introduced by EU just now, becomes necessary, it must apply to all Members, with equal proportion based on the 2008 texts. The modality and outcome should be fair and balanced, so that the result would not simply make some Members more comfortable while making others less comfortable. In no case should we accept such a scenario where only a few Members and the developing Members in particular, are required to pay for the entire Doha Round.

In order to make our discussion more constructive and further narrow the differences, members should honestly show what we can contribute, where our sensitivities are. Finger pointing or cross-

examining each other is not a good defensive weapon or negotiation strategy because it is pointless and unhelpful.

China attaches great importance to the multilateral trading system, and is committed to staunchly supporting your work and that of the Chairs of negotiation bodies. We are ready to play a proactive role and make due contribution to completion of the work program by the end of this year.

With regard to implementation of Bali package. The implementation of the Trade Facilitation Agreement is one of the top priorities of the WTO for this year. The completion of all the preparatory work in accordance with the mandate of the Bali Ministerial Decision is crucial for the multilateral trading system. We take note of the progress made by the Preparatory Committee on Trade Facilitation and urge the Committee to speed up its work with a view to enabling the General Council to fulfil its task before July.

Meanwhile, we believe a lot still remains to be done on implementation. The workshop held on 10 June and similar efforts made represent a good beginning, and have provided greater certainty and assurance regarding assistance and support which will help build up the confidence of developing Members in the implementation. We hope that due attention should be paid to the concerns of developing countries and that the on-going dialogues between Members will produce a good result.

I would like to inform the TNC that, back in our capital, the preparation work for implementation has entered its final stage and we will provide the Category A Notification as soon as possible.

2. Chinese Taipei (also on behalf of the RAMS Group)

I am speaking today on behalf of the Group of Recently Acceded Members (the RAMs Group).

First of all, we would like to thank you, and all the Chairs of the Negotiating Groups, for your updated reports and assessments of the recent consultations since the last meeting of the General Council on 12 May.

I would also like to stress that the RAMs Group remains fully committed to making progress in the rules-based multilateral trading system. Indeed, we consider it to be of paramount importance for all of us, the entire Membership, to complete the DDA and its mandates, which includes reaching a comprehensive final package.

If we fail to deliver the DDA final package, the RAMs undoubtedly would be among the worst affected Members out of the whole WTO family, due to the exceptionally deep and extensive commitments that we all made during our accession process.

The special condition and state of the RAMs is by no means an invention out of nothing. Specific provisions on the RAMs issue have been included in the negotiating mandates right from the beginning of this Round - in Paragraph 9 of the Doha Ministerial Declaration, Paragraph 47 of Annex A to the Doha Work Programme, Paragraph 11 of Annex B to the Doha Work Programme, and in Paragraph 58 of the Hong Kong Ministerial Declaration.

The RAMs' call for differential treatment in the negotiations is entirely legitimate and totally justified by the fact that in the process of our accessions we have assumed such extensive and exceptional levels of commitment in so many areas of the WTO, which distinguishes this particular group of Members from the rest of the membership.

Let me provide you with some examples:

- On Agriculture, for instance, the RAMs have made very extensive commitments already in all three pillars.
- In Export Competition, the RAMs already committed on our accessions to eliminate export subsidies, while other Members are still, to this day, taking such trade-distorting measures.
- In Domestic Support, many of the RAMs have undertaken to apply a much higher AMS reduction rate and a much lower de minimis than the rate assumed by developing country Members in the Uruguay Round.

- In Market Access, the current bound average tariff rate of the RAMs is several times lower than that of other developing country Members. And, the average bound rates of some of the RAMs are even lower than most of the developed Members.
- On NAMA, tariff commitments of the RAMs were set at 100 percent in binding coverage. The bound rates were close to, or equal to, applied levels. And furthermore, the tariffs were bound many times lower than the average final bound rates of other developing Members.
- On Services, the RAMs have made commitments in over 100 sectors and sub-sectors, higher than the average commitment level made by the developed Members. And, the higher commitments are recognized in most of the sectors.

The fact is that the present level of commitments already made by the RAMs will hardly be matched by the reductions of other developing Members and many developed Members in this current round, even if it produces the most ambitious results.

At the same time, for the RAMs, our existing level of commitments is the starting point for implementing the DDA commitments.

As for the Post-Bali work, the RAMs Group sees it as a sensible approach to build on the results and foundations that Members have achieved up to today - sometimes through a lengthy and painstaking process - so we can move forward without going back to square one.

It is in this spirit that we continue to believe the December 2008 modalities, Rev.4 for Agriculture and Rev.3 for NAMA, should be the basis for our future work on Agriculture and NAMA.

Once again, the RAMs Group reaffirms our commitment to the multilateral trading system. And, we call upon all Members to work on the solid foundations that exist already, and together move forward and drive progress in this defining year of 2014.

Now, I am speaking on behalf of the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu.

We would like to reiterate our strong support for expeditious implementation of the Bali outcomes.

We just informed the Chair of the Trade Facilitation Preparatory Committee yesterday that we will implement all provisions contained in Article 1 to Article 12 of the TF Agreement under Category A upon the entry into force of the Agreement.

3. Jordan (Arab Group)

At the outset, the Arab group would like to thank you for the updated assessment reports on the recent consultations since the previous TNC meeting, we support your effort and we are confident that your constructiveness and dedication will ensure the continuous success of the WTO negotiation.

We took note of your report and appreciate insuring justice in regards to technical assistant in section II of the TF Agreement.

We would like to affirm the position of the Arab Group in the previous TNC & GC meetings, and we also need to emphasize the following:

- Engaging the Arab group in any of the negotiations and in all level of consultations on Post Bali work program.
- The three core issues of the post-Bali work programme, that is, Agriculture, NAMA and Services, should be tackled together, simultaneously.
- The Arab group fully supports the view of not adding "new issues" to the WTO mandate before concluding the DDA.
- The relevant of Single Undertaking 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.

- The importance of maintaining the principle of special and differential treatment for developing and least developed countries.
- The importance of agriculture, where it linked to the achievement of food security considerations. And its role in the eradication of poverty and hunger, and its contribution to the achievement of sustainable developments.
- The recognition and acknowledgement of extensive commitments made by the Recently Acceded Members (RAMS Group).

Please be assured that the Arab Group stands ready to engage constructively, as it has always done, in the continuous negotiations, and on the future work program towards a successful and balanced conclusion.

4. Lesotho (African Group)

The African Group aligns itself with the statements delivered by Kenya on behalf of the ACP Group, Burkina Faso on behalf of C4 and Uganda on behalf of the LDC Group.

At the outset, a word of gratitude goes to you and the chairs of the negotiating committees for the insightful reports on where we are in negotiations. These reports have gone a long way in assessing the strides we have made since the start of the first phase of our work in our collective bid to fulfil the Bali outcomes and more importantly the Doha mandate as a whole. The Group takes special note of your report on the follow up regarding provision of TACB to anyone that needs it. Your effort in this regard is appreciated. On the reports by the Chairs it is abundantly clear that much remains to be done. The Group took note, albeit with caution, of some of new elements proposed by Members, particularly in the area of services. More clarifications in this direction will be needed. The indispensability of further clarifications in respect of ideas aimed at changing the formula cuts cannot be overemphasized.

Allow me at this juncture to share a couple of African Group's reflections on the work of this committee.

In the first instance, it worth underscoring that our work on the establishment of the work program is not without context. It is founded on the principles and objectives set out in the Marrakesh Agreement Establishing the WTO and the subsequent declarations and decisions by Members. Those decisions and declarations including the Doha Ministerial Declaration are as relevant today as they were the first time they were conceived. They express Members' desire to substantially reduce tariffs and other barriers to trade. They further recognize the need for positive efforts aimed at ensuring that developing countries and LDCs secure a share in international trade commensurate with their economic development needs. These principles have been the premise on which the African Group constructively engaged in the negotiations leading up to the drawing of the 2008 modalities. It will therefore be inconceivable to envision any negotiation devoid of bringing these principles into effect.

It is now trite that the 2008 modalities have been put to question. Nonetheless, the call to abandon the modalities in full or in part has fallen short of clarifying the relationship between such an abandonment and the principles enshrined in Doha Ministerial Declaration's work program and how varying circumstances of Members will be addressed. Moreover, clarity has been a rarity concerning the status of the Doha Ministerial Declaration and there work program vis a vis the call to abandon the 2008 modalities. For instance, under the Agriculture pillar, the Doha Ministerial Declaration's Work Program records agreed principles namely: that SDT shall be integral part of all elements of negotiations and; that SDT shall be embodied in the schedules of concessions and commitments. In the same vein, under the NAMA pillar, the Declaration's Work Program makes reference to the principle of less than full reciprocity in reduction commitments. On both counts, a million dollar question that arises is whether the questioning of the 2008 modalities is not de facto rendering the Doha Ministerial Declaration obsolete? This is the most fundamental question of the African Group, particularly because the 2008 modalities prescribe a range of possibilities that cover development and economic circumstances of its Members.

A real conversation on what constitutes the work program both in terms of scope and the depth of consultations and negotiations is yet to be undertaken. In this respect, Members have to cultivate a unified sense on the type of an outcome they are working towards achieving. Caution must be exercised with a view to ensuring that the work program under negotiations does not deviate from Doha Ministerial Declaration both in letter and spirit. To this end, Members must make every effort not to negotiate down the level of ambition captured in the 2008 modalities texts particularly in the area of Agriculture. It is the fervent hope of the African Group that this issue will be factored in the subsequent consultations by the Chairs and indeed in the intensified second phase of our work.

Let me turn to some key principles which include guiding parameters you recommended to Members and of course the parameters to which the African Group subscribed. Similar to most developing countries, the African Group is fully committed to the principle of single undertaking. This principle was conceived with a view to providing some insurance policy to the effect that the negotiated outcomes will be balanced. The principle importantly guards against cherry picking and mercantalisation of the Global Trading System. We are therefore all obliged to preserve this principle in every aspect of our work.

Worthy of mention is the principle of development which must be an integral part of any outcome. In this connection, it must be ensured that the scope of the work program currently under development is comprehensive enough to cover non-tariff measures as foreseen by the Doha Ministerial Declaration. The issue of domestic support and export competition in agriculture must form part of the work program.

Moreover, the principles of inclusiveness and transparency must be the bed rock on which the process of negotiations leading up to the formulation of the work program is anchored. All Members must be equally engaged at all levels of consultations. As for transparency, it should be emulated both on offensive and defensive fronts. On the former, the picture is fairly clear. However, on the latter the picture is rather hazy. To this end, despite clear messages on the offensive interests of key Members on one hand, on the other hand their commitment to delivering an outcome on domestic support in the area of agriculture, as an example, remains elusive. It is hoped that in the second phase of the consultations much more clarity will emerge concerning what Members can realistically do vis a vis their domestic circumstances. This will go a long way in helping the African Group assess how the DDA Agenda will be affected and of course inform consultations within the Group.

The relationship between the DDA issues that have been transposed into the regular committees and TNC agenda cannot be overstressed. Most of the non-binding Bali outcomes relegated to the regular committees still resonate with our work in the TNC. Every effort must be made early on in the process to ensure that such outcomes are featured in our discussions on post Bali Work Program particularly because they have not been fully addressed.

In closing, reference made to the implementation of trade facilitation agreement could not escape the African Groups notice. Clearly much of what has been said in more ways than one refers to the statement the Group delivered during the PCTF meeting and the supplementary room document that the Group circulated for information purposes only. This matter is the subject of intensive consultations within and among different Groups and their Coordinators. Therefore, at this stage it may be advisable for Members NOT to initiate a process of blame shifting precisely because consultations on this matter are ongoing. In fact, seeking to apportion blame could trigger a series of questions which may not be helpful at this delicate stage of the negotiations.

5. Pakistan

Thank you for convening the meeting and briefing the Members about your endeavours to steer post Bali work programme. We have also carefully noted statements from the Chairs of negotiating bodies about the current state of play and the possible future course of action.

We have less than 20 working days before formal General Council meeting, which will be the beginning of summer recess for the WTO. Time is running out and we have to remain engaged to develop some clarity on the work programme mandated by Ministers at Bali.

Since the end of January 2014, Members have been generally reiterating their offensive and defensive interests in all areas of market access and other disciplines of Doha Development

Agenda. There is, however, general convergence that Agriculture and Development Issues will remain the core elements of the work program and that the ambition level in Agriculture will define ambition level in other market access areas. Having said that I believe that Development Issues, especially concerns of the least developed and vulnerable economies may not be bracketed in this equation. They may be addressed on priority basis and with high ambition. Keeping in focus the interests of LDCs and Small & vulnerable economies may pave the way to advance negotiations to define the work programme. Today, I will not go into details of these issues, they are known to you and the entire membership.

We need to approach the process of the current negotiations with a positive mindset. All Members are required to provide clarity as to what they can contribute and then ask for others' contribution. In order to follow this path, high level of mutual trust is a pre-requisite.

Roberto, Members have witnessed you in action and skilful leadership at Bali as well as during the preparatory phase of the Ministerial, perhaps a similar endeavour is necessary by you and your team to build on the Bali success.

On our part, we will remain engage with the positive mind-set and you can count on our contribution.

We also go along with the G-20, Cairns Group and G-33 statements made by the respective coordinators.

6. Saudi Arabia

I would like to thank you for your assessment report and to thank the Chairs of the Negotiating Groups for their hard work.

I would like also to associate myself with the statements made by Jordan on behalf of the Arab Group and Chinese Taipei on behalf of RAMs.

To be practical, our discussions on the Work Program on remaining DDA issues must be informed by the guidance provided by our Ministers as set forth in the Bali Ministerial Declaration. In Bali our Ministers requested the TNC to "prepare within the next 12 months a clearly defined work program on the remaining DDA issues" and they provide specific guidance on first steps.

Therefore, I would like to commence my remarks by referring to the more detailed instructions of the Ministerial Conference in Bali to chart a course forward toward an agreement on the work program by the end of this year.

In particular, paragraph 1.11 of the Bali Ministerial Declaration instructs us to start by prioritizing issues in the Bali Package where legally binding outcomes could not be achieved. These include agriculture, development and LDC issues and the sensitive question of cotton. Therefore, in order to build on the decisions adopted in Bali, we should now rank these issues by priority. Given the very limited number of issues concerned, an indicative prioritized list should be drawn up. After this exercise is complete, we could then consider how to craft a work program for each issue.

Next, paragraph 1.11 of the Bali Ministerial Declaration instructs us to turn to those DDA issues that have not been fully addressed during the Bali Ministerial Conference.

Consistent with the guidance provided during the Eighth Ministerial Conference, as also instructed in the Bali Ministerial Declaration, we should start by identifying the most critical and fundamental stalemates. We have already started doing this in multilateral settings but must ensure that we review expeditiously the most critical and fundamental stumbling blocks in a comprehensive manner to identify those that can be overcome. This exercise will allow us to advance negotiations where progress can be achieved.

Where possible, in line with your statement of 12 May Saudi Arabia considers that the TNC should start with the three pillars of the DDA negotiations -- agriculture, industrial goods and services -- we could then draw up a detailed list of issues where we believe that negotiations can be resumed and successfully completed in a balanced manner. This list should allow us to develop a realistic work program.

After having established the list of issues on which agreement can be credibly foreseen, the TNC should determine the basis for resuming the negotiations. The Chairs of the various negotiating groups have already started discussing alternative options with Members in bilateral and plurilateral meetings. Solutions will necessarily vary for the different issues under review. Members will need to have an open mind and to be creative and flexible to achieve satisfactory and balanced results. However, the results of negotiations should contribute to our development agenda and serve our shared interest of economic growth.

We could go on discussing perspectives on outcomes, but Saudi Arabia considers that our next procedural steps should follow a clear and transparent process, in line with the instructions that our Ministers agreed in Bali, in order to establish the requested work program.

We stand ready to engage with you, the Chairs of the negotiating groups and Members in constructive conversations to make much needed progress in the coming weeks. Let me close with the frank observation that it should not be overly difficult to establish the work program that our Ministers expect to see later this year, if there is a political will and serious engagement from members.

7. Switzerland (also on behalf of the G-10)

Let me first make a statement on behalf of the G10:

- 1) We thank you, for your comprehensive overview on the current state of play and the opportunity to share our views with you today.
- 2) At the last General Council meeting on 12 May, you asked us to remain focused on two priorities: implementing Bali and meeting our December deadline for the establishment of the Work Programme.
- 3) In agriculture, we note that some progress has been achieved in these two fields.
- 4) With the dedicated discussion on export competition that took place in the last COA meeting, Members have made a first concrete step towards the implementation of the Bali decisions in agriculture.
- 5) When it comes to the Work Programme, although its outlines are still unclear, preliminary ideas have been exchanged in informal discussions among Members.
- 6) In this context, allow me to emphasize that negotiations in agriculture have 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 must strike a balance between net importers and exporters. For the G10, market access remains particularly sensitive. Future outcomes in agriculture should give room for manoeuvre in domestic policy design and take account of the different roles of agriculture in society (the non-trade concerns).
- 7) The G10 remains committed to work constructively to meet the December deadline for the Work Programme.

Let me now make a few comments on behalf of Switzerland:

First, a timely implementation of all Bali decisions is key for the credibility of the WTO.

Work is not just concentrating on the implementation of the TF Agreement and the establishment of the work program but much work is also going on in parallel on the other elements of the Bali package. To a certain degree progress on these other issues is, however, dependent on issues being pushed by proponents or being put on the agenda by chairs, in time. It is important that proponents show ownership, but also that they are supported by other Members where necessary.

With respect to TF: What you have just outlined is of greatest concern to us and we fully agree with what you said. Let me remind Members that the next step is the adoption of the Protocol of Amendment which will enter into force in accordance with Article X:3 of the WTO Agreement on a

definitive basis. It is important that the Membership respects faithfully the commitments taken by our Ministers in Bali on the adoption of the TF Agreement as well as on the availability and accessibility of technical assistance. I would like to congratulate Members who already indicated their category A commitments and I strongly encourage other developing countries to follow them. Missing the July deadlines in TF could not only jeopardize the establishment of the work program but also harm the Multilateral Trading System as a whole.

Regarding the work program we have a deadline - end of 2014 and we have a task: That is to establish a work program detailed and credible enough to allow us to negotiate in 2015 an outcome for the Doha Round. From a Swiss point of view, we expect the work program to be comprehensive and at the same time focused on Agriculture, NAMA and Services taking also into considerations issues like NTBs in NAMA, domestic regulation in Services, the GI register, GI extension and the disclosure of source in TRIPS-CBD as well as Para. 31 (i) and 31 (ii) of the Doha Declaration on Trade and Environment. The kind of treatment any given issue will get in respect of the work program will, as I mentioned before, depend on the traction any proposal may gather.

Let me now share with you some thoughts on two of your "February 2014" - parameters that you have just repeated: "parallelism" and "urgency":

On "parallelism": For success, it is important that the key issues are dealt with in an integrated, simultaneous and horizontal way. We have to overcome negotiating and thinking in silos.

On "urgency": DG, you stressed at the TNC of 6 February 2014 "that our efforts must have a sense of urgency". Indeed, we can only succeed if we take advantage of the push provided by Bali. This push will disappear if we are not able to deliver on Bali and - even, if we do deliver on Bali - it will, nonetheless, weaken substantially if we are not able to progress fast in our endeavors in Geneva.

If our common goal is to get the Doha Round - finally - to a successful end, then this has to happen within a short time period or it will probably never happen. Therefore, dear colleagues, if we are serious about the DDA, we have to speed up, we have to talk to each other and we have to work hard.

8. Turkey

Turkey has given priority to transparency and inclusiveness as important guiding principles for a successful negotiation in the WTO. With this in mind, I thank you for convening this timely informal TNC meeting. I hope that the views expressed today will give us the necessary impetus in matching the targets set at the MC9.

I have noted upon my arrival few months ago that the readiness and open-mindedness of the entire membership was encouraging to carry on the negotiations in the WTO. At the same time, good-will and positive attitude alone are not sufficient to reach these targets. We need more specific, result-oriented and focused discussions.

Let me outline very briefly our views on principal topics at hand:

- Trade Facilitation
 - Overall, the WTO reached important decisions in Bali, including the Agreement on Trade Facilitation. The ongoing work in the TF Preparatory Committee is overall satisfying.
 - We expect that the TF Agreement will bring tangible results to the world trade. Its timely and proper implementation is important. We should also be aware that a failure in implementing the TF Agreement will put the DDA in jeopardy even more than before and will also hurt the credibility of the Organization.
- Agriculture
 - With regard to agriculture, Turkey has some structural and multi-dimensional challenges, thus this topic is a sensitive one for us as well.

- Years of agricultural negotiations in the WTO cannot be disregarded. Yet, it is clear that more needs to be done here and we should show flexibilities in response to reasonable proposals.
- Services
 - Trade in services is an indispensable pillar of the post-Bali Work Program.
 - We support the efforts to re-engage in services negotiations and stand ready to cooperate actively with all parties.
 - Negotiations in services in different formats do not and should not constitute an alternative to GATS. On the contrary, we consider them as complementary to the work in the WTO and hope that they will have an encouraging effect on work at the WTO.
 - At this point, I would like to highlight a priority for Turkey. Any potential liberalization we may achieve in Agriculture and NAMA will remain redundant if not accompanied by parallel results in services. That's because Global Value Chains cannot function without services.
 - Among these services, Turkey focuses on road transport in particular, which sometimes turns into an obstacle in trade even with our major partners.
 - If one faces difficulties in moving its export products beyond borders, one will not agree to open its markets to goods and services from abroad either. We have already discussed these issues at length in the context of Trade Facilitation as well, so I will not go into details.
 - In the same spirit, liberalization in movement of natural persons - Mode Four in GATS jargon - is an integral element of the overall balance Turkey and other developing countries seek in the DDA.
- Development
 - A number of speakers before me have touched upon the core element of DDA, which is development. I add my voice to these interventions. Moreover, I believe that the Membership should be sensitive to the expectations of the LDCs and work even harder to accommodate their demands.

Let me now express few thoughts on the way ahead. The success in Bali has opened a fresh window of opportunity for us to work on the completion of the DDA. We should not lose the momentum and I think being realistic, pragmatic and seeking the possible will be keys to a doable outcome.

We have two deadlines approaching fast: end of July and end of 2014. If we are to reach the goals, we should adjust our mindset accordingly. There is no 4th referee here and we cannot hope for any extra time. The World Cup in Brazil is the place to score now, not Geneva. So let us keep our hunter instincts under control at the WTO. There will not be a single winner here, but all 160 Members will win from a doable compromise.

Last but not least, let me add that, like we have seen in the World Cup, it is not always the few strong teams that make the show. All teams have so far contributed to the action and we have seen many spectacular results. With the same spirit, I believe that finding compromises in the WTO is not the job of few but a collective task for all of us.

9. Uruguay

Uruguay would like to thank the Director General for convening this meeting, which is crucial for maintaining transparency and ensuring the continued participation of all Members in this negotiating process so that it continues to move forward.

Uruguay associates itself with the statements made by the G 20 and the Cairns Group.

At this stage, it should come as no surprise that Uruguay's priority is to obtain substantive results in Agriculture.

Since this Committee's last meeting, progress has been made in the implementation of the Bali decisions, particularly those concerning Agriculture. Furthermore, the Committee on Agriculture's discussions, especially those on exports, have shown, in our view, that a substantive and ambitious outcome on Agriculture is perfectly possible and achievable.

The elimination of export subsidies through a binding legal commitment in this regard can be delayed no longer and is in all Members' interests. This is an opportunity to drive the negotiations forward and to avoid a repeat of the 80s and 90s, when similar practices kept agricultural trade in a permanent state of uncertainty and instability, harming the growth of sustainable and competitive farming in all the Member States, especially in developing countries. These circumstances must never be repeated and it seems we all agree on this point.

Nevertheless, it is not enough to target exports alone. We must make a significant impact on subsidies and domestic support, which have a distorting effect on trade, and we must also produce results in agricultural market access. It should be understood that all Members have offensive interests in a comprehensive Agriculture package and that furthermore, this is the only way to achieve results in the other areas of NAMA and services.

Uruguay is of the opinion that these negotiations should not be envisaged exclusively from a mercantilist perspective, following the long established tradition of this Organization and the GATT, which belongs to another era. A more modern approach is needed, one that takes account of the complexities of contemporary international trade and develops a form of architecture which will support and structure the multilateral system while integrating the development dimension.

Uruguay reiterates its commitment to making intensive efforts to achieve concrete and satisfactory results for all Members, which will ultimately help to strengthen the multilateral trading system.

ANNEX 5**STATEMENT BY LESOTHO ON BEHALF OF THE AFRICAN GROUP AT THE LAUNCH OF THE WTO TRADE FACILITATION AGREEMENT FACILITY ON 22 JULY 2014**

At its request, the statement made by Lesotho on behalf of the African Group at the above-mentioned launch is included below as part of the Minutes of the General Council meeting.

On behalf of the African Group it gives me a great pleasure to partake in this momentous launch of the Trade Facilitation Agreement Facility (TFAF). It is quite an achievement that finally the G-90's longstanding and persistent call for a simple, predictable, accessible and non-bureaucratic technical assistance funding facility has paid off. It is worth pointing out that this achievement is not without a heritage. To this end, we have to recognize that today's achievement is pillared on the shoulders of the giants and visionaries who espoused the idea of the establishment of the TFAF within the WTO System at the inception of negotiations on Trade Facilitation.

Ambassador John Kakonge's huge acumen in development finance as well as unwavering pursuit of action was awesome. In the similar vein, Ambassador Christopher Aparr's diplomatic experience and strategic thinking fuelled the process. The African Group is grateful to these great G 90 Coordinators and I add my personal word of appreciation and gratitude.

Worthy of recognition is not only the positive reception of this idea which in turn triggered its coming into fruition today but also the vigorous questioning and scepticism that helped crystalize the idea. This therefore leaves me the great honour to pay tribute to the donor communities' goodwill and support for the establishment of TFAF.

It will be remiss of me not to pay my respect to the DG for having taken heed of the legitimate concerns expressed on numerous occasions including during the TNC and GC meetings and of course during consultations with my G90 counterparts. It is through the convening power of the DG's office and his personal attention and understanding of the concerns expressed by the African Group that this day has been made possible. DG's diplomatic acumen has once again cashed in results that will ensure that no single African Member of the WTO will be left without requisite assistance for the implementation of TFA. We thank you DG.

Turing to the TFAF itself, it is quite assuring that all the elements of the African Group's concern have been weaved into the architecture of the TFAF. In this regard, the match making and resource disbursement amongst many aspects of the Facility will go a long way in ensuring coherence among the donors and branding TFAF the **Facility of Last Resort**.

The establishment of the TFAF is certainly not an end in itself. Rather, it will take the collective goodwill of Members to ensure that TFAF delivers results as per its state objectives and more importantly by feeding it with requisite funding. It is through adequate funding that the Facility will flourish and be of benefit the most indigent Members of the WTO, particularly the African Countries. In this vein, the African Group commends Norway for having broken the ice and paving the way for other donors to spark the facility into life. It must be ensured that there is sustainable flow of resources into the facility. As the saying goes, the proof of the pie is in the eating.

Lastly, but hopefully with a lasting impression, the African Group recognizes the development dimension of the TFAF as a critical feature. This is clearly walking the talk with respect to development being at the Centre of the DDA. It is our fervent hope that this is maintained in the rest of the DDA's work.
