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Senior Officials Meeting 23-24 October 2023

SENIOR OFFICIALS MEETING

CHAIRPERSONS' SUMMARY AND ORAL REPORTS BY THE FACILITATORS

Revision*

<u>Chairpersons</u>: Dr. Ngozi Okonjo-Iweala – WTO Director-General and TNC Chairperson, and H.E. Dr. Athaliah Lesiba Molokomme (Botswana) – General Council Chairperson

This summary of the main points which have emerged from Senior Officials' discussions over the past two days is prepared by the Director-General and the Chairperson of the General Council as co-Chairpersons of the Senior Officials Meeting, under their own responsibility. The summary is not exhaustive but contains the main messages from the oral reports from facilitators of the breakout sessions and those made in the plenary sessions including emerging themes or common trends; the political guidance or support received from Senior Officials; and any other action taken by Senior Officials over the past two days. This is made on the understanding that Senior Officials cannot expect a verbatim report attributable to any delegation but a high-level report reflective of overall discussions in the breakout and plenary sessions.

1 DISPUTE SETTLEMENT REFORM

- 1.1. On dispute settlement reform, Senior Officials recalled the MC12 commitment "to conduct discussions with the view to having a fully and well-functioning dispute settlement system accessible to all Members by 2024".
- 1.2. Overwhelmingly, Senior Officials strongly supported the ongoing informal process on DS reform being carried out in Geneva by technical experts. They recognized the value of the process and the progress made so far in order to achieve a tangible and meaningful outcome at MC13 while cognizant of the different views expressed on the issue of the timing of the formalization of this process under the auspices of the DSB Chair.
- 1.3. In expressing their political support for DS reform work, Senior Officials indicated the following elements on the way forward: first, the need to focus on addressing the DS challenges with a sense of urgency; second, the need to take into account the dispute settlement interests of all Members; and third, the need to uphold the WTO's Member-driven nature as well as to ensure full participation, inclusiveness and transparency, including by facilitating the effective participation of developing and LDC Members taking into account capacity constraints.
- 1.4. Going forward, all Members are encouraged to actively participate in the ongoing process on DS reform with the view to achieving tangible outcomes at MC13 in line with political guidance provided by Senior Officials.

^{*} This Revision is to add the Facilitators Reports as an Annex to this document. The Facilitators Reports were also issued as an Annex to document JOB/TNC/118.

2 AGRICULTURE INCLUDING FOOD SECURITY

- 2.1. Regarding agriculture and food security, it was reassuring that several Senior Officials stressed the necessity of making progress in the agriculture negotiations on the basis of Article 20 of the Agreement on Agriculture and obtaining credible results on all issues of interest to Members including public stockholding for food security purposes, domestic support, market access, Special Safeguard Mechanism, cotton, export restrictions and export competition, and strengthening the agriculture sector to respond to contemporary challenges including rural livelihoods and environmental sustainability.
- 2.2. From the Facilitator's report, the discussions yesterday demonstrated Senior Officials' strong engagement in favour of a credible food security outcome at MC13, including a commitment to agree on broad parameters to guide the negotiations post-MC13 to reach substantiative outcomes by MC14 which would strengthen the agricultural trading system. But more discussions are required on how to shape such an outcome based on the work undertaken thus far, including how to address various Members' priorities and sensitivities while ensuring a comprehensive, balanced and holistic outcome.
- 2.3. We believe that Senior Officials have provided Geneva negotiators with the political guidance essential to assist in prioritising the work between now and MC13 to achieve positive and balanced outcomes at MC13. But much more work remains to be done. We invite all Seniors Officials present as well as those who could not attend this meeting to remain engaged with their representatives in Geneva to support the CoA SS Chair in his efforts and ensure the necessary progress are made in the coming weeks towards fulfilling these objectives.

3 TRADE AND DEVELOPMENT

- 3.1. Senior Officials, convened as the General Council, adopted the Decision on the Extension of Unilateral Duty Free and Quota Free preferences in favour of countries graduated from the LDC Category (WT/L/1172). The decision demonstrated coherence between the work of the WTO and the UN to support the most vulnerable members of the international community. Members remain committed to make further progress on LDC graduation including trying to conclude on Annex 2 negotiations before MC13.
- 3.2. Senior Officials were committed to strengthening the development dimension of the WTO, including through the WTO reform process and through making S&DT fit for purpose for the 21st century. Developing country Members expressed strong need for the WTO to deliver more support and policy space for development and industrialization. Senior Officials expressed support for the ongoing process in the CTD SS and in this context noted in particular the progress made in discussions on the G90 ASPs relating to the SPS and TBT Agreements. Senior Officials expressed broad support to continue the reform discussions on development with a view to achieving concrete outcomes.
- 3.3. On next steps, discussions will continue in the CTD SS on the ten G90 ASPs in the context of the agreed process. The intention would be to make as much progress as possible by MC13, with a view to possibly having concrete outcomes on at least some ASPs. Discussions on the developmental aspects of WTO reform will continue in the CTD. Members will continue to consider what concrete outcomes may be achievable on this matter by MC13. Members will continue discussions on Annex 2 of the LDC graduation proposal, including on the clusters which build on the LDCs' work plan, with a view to exploring further outcomes on this topic before or by MC13.
- 3.4. Development is a core principle of the WTO. This is recognized by all Members. There are certainly different perspectives among Members on how the WTO should best move forward in addressing a number of key development issues, including on ensuring effective S&DT for developing countries. However, the importance of development to the work of the WTO is undeniable. We therefore urge Members to work together in a spirit of collaboration and show the necessary flexibility to make progress and achieve concrete outcomes by MC13 on development-related matters, including on S&DT and on LDC graduation, among others.

4 FISHERIES SUBSIDIES

- 4.1. Prospects remain high for two outcomes at MC13: the conclusion of the second phase of negotiations (Fish 2) and the entry into force of the Agreement on Fisheries Subsidies which are firmly on track.
- 4.2. On Fish 2, the response to the two questions were a "resounding yes" to reaffirm the MC12 commitment to complete by MC13 and to conclude text-based discussions by December. Senior Officials called for strong and effective disciplines that will meaningfully reduce subsidies contributing to overcapacity and overfishing whilst at the same time emphasizing that special and differential treatment remains an integral part of the negotiations. There was also broad support for the draft text that the Chair circulated in September (RD/TN/RL/174) as a good basis for the text-based work going forward. We now need to work to make the necessary compromises.
- 4.3. Many Senior Officials announced that their domestic acceptance processes for the Agreement on Fisheries Subsidies are at an advanced stage and that they will deposit their instruments of acceptance in the near future. In the margins of the Senior Officials Meeting, nine¹ Members deposited their instruments of acceptance bringing the total number to 52 bringing us very close to half of the number needed. There was a strong call for other Members to deposit their instruments of acceptance as soon as possible so that Agreement enters into force by MC13.

5 WTO REFORM

- 5.1. The high priority that Senior Officials attach to WTO Reform was evident. It was underscored that the work should continue to be transparent, inclusive, and Member-driven. A number of Senior Officials said that it is important that MC13 be shaped as the **WTO's first genuine Reform Ministerial** to demonstrate progress on the MC12 mandate to show that Members can address significant challenges facing the multilateral system and modernise the WTO. In this regard, the suggestion was made to aim for an MC13 outcome document that contains substantive reform outcomes. Some Senior Officials said this meeting had provided a useful template for engagement by senior officials and ministers.
- 5.2. On **institutional reform** Senior Officials were pleased to note that a significant and credible package was emerging reflecting constructive engagement to improve WTO processes and practices through reform by doing. They said these efforts should be acknowledged and blessed including by Ministers at MC13. Senior Officials also reiterated the importance of transparency and inclusiveness in these efforts and taking account of the capacity constraints of developing countries and LDCs to effectively participate in this work. In this regard, the suggestions for a dedicated portal for WTO Reform and the appointment of facilitators to assist Members in narrowing down the topics were made.
- 5.3. A number of Senior Officials also referred to the need to **engage a wider cross-section of stakeholders** including the private sector in the WTO's work. However, others said that informal engagement for knowledge sharing with external stakeholders is already undertaken through the WTO's public forum.
- 5.4. With regard to reform of the **deliberative function** Senior Officials said that the WTO should be a living and relevant institution that responds to current and future challenges. In this regard, they welcomed the momentum to launch a package of deliberative reforms at MC13 that positions the WTO to address key global trade-related challenges. In this regard, many Senior Officials said that Ministers should endorse a package that includes trade and industrial policy, trade and environmental sustainability and inclusivity, incorporating development, gender equality, MSMEs and indigenous economic empowerment, among others. This would maximise the value of Ministerial Conferences by creating space for Ministers to discuss major trade challenges and provide guidance to officials on how the WTO should respond.
- 5.5. With reference to reforming the WTO's **negotiating function**, there was a strong call by several Senior Officials for a viable path for the WTO to respond to *flexible and open multilateralism*

¹ Macao, China; Albania; Australia; Botswana; Cuba; Côte d'Ivoire; Republic of Korea; Saint Lucia; and Fiji.

with many Senior Officials referring to the significant progress made with the conclusion of the Investment Facilitation for Development and Services Domestic Regulation negotiations. In this regard, we heard the call to sharpen the WTO's decision-making process by exercising responsible consensus. While some Senior Officials expressed discomfort on integrating such results into the WTO's legal architecture, they expressed willingness to discuss the matter. In recognizing this willingness, we urge Members to work together in this spirit to find a mutually agreeable way forward that respects the right balance.

- 5.6. Senior Officials underscored that officials in Geneva should be empowered to make as much rulemaking progress as possible between Ministerial Conferences, and harvest outcomes when ready in the General Council noting the recent decision on Annex 1 on LDC Graduation. This would help in not overloading Ministers' agenda at MC13.
- 5.7. We will reflect on the political guidance provided by Senior Officials on moving forward our WTO Reform work and provide concrete suggestions forward.

6 WTO REFORM - DELIBERATIONS ON TRADE AND INDUSTRIAL POLICY

6.1. Senior Officials had a good level of engagement on deliberations on trade and industrial policy – building on the recent Informal Meeting on WTO Reform focused on this area. Some Senior Officials called for a work programme to be agreed at MC13 while others proposed that Ministers could provide relevant guidance for future deliberations post-MC13. It was also noted that the discussion was still premature to be brought before Ministers and that the exact scope of industrial policy should be defined more precisely. In this regard, a suggestion was made for these discussions to take place in existing, relevant WTO bodies and the importance of transparency and inclusiveness in such discussions was stressed. Many noted that the MC13 agenda was already full, and recalled that there were other outstanding matters, such as agriculture, which should be addressed first – as a priority for MC13. At the same time, Senior Officials expressed readiness to engage on this topic – in a meaningful, deeper, inclusive and evidence-based manner. We hope that this discussion will continue with a view to finding a mutually agreeable path forward.

7 WTO REFORM - DELIBERATIONS ON TRADE AND ENVIRONMENTAL SUSTAINABILITY

7.1. Senior Officials recognized the relevance of the trade, sustainable development and environmental sustainability interface at the WTO and the need to demonstrate that trade can be part of the solution to the climate crisis. In this regard, they recognized the urgency and relevance of the work being carried out in Geneva. They reiterated the importance of having Ministers discuss trade and environment at MC13 and to provide further guidance on the direction of future work. Many Senior Officials recalled paragraph 14 of the MC12 outcome document and highlighted the importance of "the Committee on Trade and Environment (CTE) as a standing forum dedicated to dialogue among Members on the relationship between trade measures and environmental measures". It is our hope that the work begun by Senior Officials in Geneva today will provide a platform for Ministers to discuss trade and environment when they meet at MC13 with a view to providing further political guidance.

8 E-COMMERCE WORK PROGRAMME AND MORATORIUM

8.1. Many Senior Officials identified the E-commerce Work Programme and Moratorium as an important issue for MC13. Overall, Senior Officials welcomed the work done since MC12 under the facilitator-led process. In their view, the Work Programme has been reinvigorated as per the MC12 Decision. The dedicated discussions has allowed Members to share experiences and challenges faced on a wide range of topics. Senior Officials stressed the need to continue this work and to focus on the development dimension. A large number of Senior Officials noted the need for increased support to developing countries and LDCs so as to bridge the digital divide. On the moratorium, while many Senior Officials supported at least its extension at MC13, others considered that it should be lifted. Some called for more evidence-based discussions and further analysis on its scope, definition, and impact. In parallel, the WTO is working with other international organizations – UNCTAD, the IMF, the OECD, and the World Bank – to gather evidence from all sides to inform the discussions.

9 MC12 DECISION ON THE TRIPS AGREEMENT

9.1. On the MC12 Decision on the TRIPS Agreement, several Senior Officials called on Members to agree on Paragraph 8 concerning the decision's extension to diagnostics and therapeutics. In highlighting the need to decide on an outcome before MC13, they noted that such an extension would stimulate industrial production needed to timely address health crises. They further noted that intellectual property rights (IPRs) should not constitute as a barrier to achieve equitable and timely access to all these tools during pandemics. Others however highlighted that IP protection was crucial for stimulating innovation, investment, industrial partnerships and technology transfer – to increase and diversify production and achieve Members' collective goal in this regard. As Senior Officials expressed willingness to continue engaging on these discussions, we urge all Members to work together to find a mutually agreeable solution soon especially given the importance of this matter.

10 EMERGENCY RESPONSE

10.1. Some Senior Officials stressed the need to find timely solutions to help Members more effectively face global pandemics, public health crisis, food security crisis, and debt crisis, among others including by setting up trigger-ready mechanisms for temporary and timely response. Some Senior Officials referred to Pandemic Response and Preparedness and the need to continue work in this regard – building on the MC12 Declaration on WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics.

11 LDCS, LLDCS, NFIDCS, SIDS AND SVES

11.1. As the Membership prepares for MC13, Senior Officials underscored the need to bear in mind the particular situation of LDCs, landlocked developing countries (LLDCs), small island developing states (SIDS), small vulnerable economies (SVEs) and net-food importing developing countries (NFIDCs). Specifically on the Work Programme on Small Economies, Senior Officials welcomed the work carried out in this regard including the preparations for a Ministerial Decision for adoption at MC13.

12 SPS MATTERS

12.1. Senior Officials recognized the progress in preparing an outcome document of the SPS Declaration Work Programme in line with the Sanitary and Phytosanitary Declaration for the Twelfth WTO Ministerial Conference: Responding to Modern SPS Challenges. They encouraged delegations in Geneva to continue to work together so that the recommendations therein would be ready for Ministerial consideration at MC13. On other SPS matters, a call was made to ensure that SPS measures were science-based.

13 GLOBAL INDUSTRIAL AND SUPPLY CHAINS

13.1. Some Senior Officials referred to the need to address challenges experienced in global industrial and supply chains. In particular, it was noted that challenges posed by supply chain disruptions due to global trade fragmentation have affected food security and the lives and livelihoods of people across the globe – especially the most vulnerable. Reference was likewise made to a proposed MC13 Declaration on this matter.

14 ACCESSIONS

14.1. Senior Officials underscored the importance of facilitating the conclusion of ongoing accessions especially of acceding LDCs in line with Paragraph 6 of the MC12 Outcome Document. In particular, several of them welcomed the significant progress made in the Working Parties on the Accessions of Comoros and Timor-Leste and expressed their desire for these processes to conclude in time for MC13.

We wish to thank all Senior Officials for their constructive engagement throughout the Senior Officials Meeting. We commend H.E. Mr. Mustafa Tuzcu (Türkiye); H.E. Mr. Martin Eyjolfsson (Iceland); H.E. Dr. José R. Sánchez-Fung (Dominican Republic); H.E. Mr. Andreas Motzfeldt Kravik (Norway); H.E. Ms. Ng Bee Kim (Singapore); H.E. Mr. Henry Tunupopo (Samoa) and H.E. Mrs. Nella Pepe TAVITA – LEVY (Samoa) for facilitating the breakout sessions at the Senior Officials Meeting.

ANNEX

REPORT BY THE FACILITATOR OF THE SECOND WAVE OF FISHERIES SUBSIDIES NEGOTIATIONS (FISH 2) H.E. MR. MARTIN EYJOLFSSON (ICELAND)

- 1. At the outset of my report, let me thank you very much for your diligent engagement in the breakout sessions on fisheries subsidies today. I am glad to report that in terms of the spirit with which you engaged today, I could not have asked for more. I am reliably informed that the positivity and constructiveness that I witnessed across the breakout sessions was no less than that with which the Negotiating Group on Rules has worked over the last several months. In fact, you seem to have brought even more good humour to the room.
- 2. In relation specifically to the two questions that you were asked to answer, I heard a "resounding yes" to both. I am truly grateful for your support both for the vision of completing text-based work in Geneva by December and for the Ministers' mandate to make recommendations to MC13 on additional disciplines. Thanks to your affirmation that additional disciplines on fisheries subsidies remain a deliverable outcome for MC13, the work of the Negotiating Group on Rules will continue to advance with reinforced political impetus.
- 3. Aside from your clear overall endorsement of the two objectives, I also heard many of you indicate the key aspects of your negotiating positions. Your positions in this regard clearly call for strong and effective disciplines that will meaningfully reduce subsidies contributing to overcapacity and overfishing. At the same time, all Members acknowledge that special and differential treatment for developing and least developed country Members remains an integral part of our endeavour. I also heard broad support for the draft text that Ambassador Gunnarsson circulated in September as a good basis for the text-based work going forward. I am confident that the interest-based and pragmatic engagement on your part will lead you to a balanced landing zone on the inherently interrelated and interdependent goals of adopting a strong discipline and appropriate and effective special and differential treatment.
- 4. As another heartening aspect of today's breakout sessions, many Members provided updates on their ratification processes for the Agreement on Fisheries Subsidies. Some 20 Members from different regions, and representing different developmental levels, informed us today that their domestic acceptance processes are at an advanced stage and that they will deposit their instruments of acceptance in the near future. We are already going to reach the milestone of acceptance by 50 Members later today, and based on what we heard in the sessions, that list will expand considerably, rather soon. We are therefore on track to fulfil the objective of securing entry into force of the Agreement on Fisheries Subsidies by MC13.
- 5. So, thank you again for your excellent engagement today. Following this plenary, we will celebrate the Members who will and have deposited their instruments of acceptance as of today, and I look forward to seeing you in the Fish Ratification Ceremony.

REPORT BY THE FACILITATOR OF TRADE AND DEVELOPMENT H.E. DR. JOSE SANCHEZ-FUNG (DOMINICAN REPUBLIC)

- 1. The constructive discussions on trade and development took place in three breakout sessions.
- 2. Close to 80 delegations took the floor. I would like to thank all Senior Officials for their substantive engagement on the four questions that guided our discussions. Most of the delegations responded to questions in an integrated manner. Below are my takeaways from the discussions based on the proposed questions.
- 3. First, on the G90 proposals and the CTD SS, many recognized that S&D is a treaty embedded right and forms an integral part of WTO Agreements. At the same time, many noted that a blanket S&D would be challenging given the diversity of developing countries. In that regard, specific needs and circumstances of each member would pave a way for an appropriate flexibility that could support the development process. Several members noted that trade liberalization could further support integration of developing countries and LDCs, and there is a worry about the possibility that some of the requested flexibilities could result in a roll-back of multilateral rules.
- 4. The ongoing process taking place in the CTD SS was welcomed. The recent discussions that took place on pertinent issues relating to the agreement-specific proposals on the SPS and TBT Agreements were particularly appreciated with several developing countries pointing out that the implementation of these agreements is critical as they impacted their exports. Calls were made for this process to continue in order to have similar in-depth discussions on issues pertaining to the other eight ASPs. While several Members pointed out that MC13 could not be deemed a success without development outcomes including on the ASPs, given the limited amount of time a suggestion was made that Ministers at MC13 could provide a roadmap that would allow the negotiations on S&DT to be continue post MC13.
- 5. Second, on the effective S&DT, delegations highlighted the need to mainstream development into all areas of WTO's work. Several delegations noted that the concept of S&DT should go beyond transitional periods and technical assistance so as to allow developing countries and LDCs the opportunity to more fully integrate into the multilateral trading system. The approach of S&D in the Trade Facilitation Agreement was pointed out as a model for rulemaking on S&DT taking into account capacity and needs.
- 6. Developing country members cited challenges related to climate change, digitalization, technology transfer and food insecurity and indicated that WTO framework could support developing countries and LDCs in overcoming these evolving challenges. The special challenges faced by small and vulnerable economies were also highlighted.
- 7. Third on the developmental aspects of WTO reform, a suggestion was made that the reform discussions should safeguard S&D provisions and deliver on long-standing mandated issues. A number of delegations stressed the importance of policy space to support industrialization and structural transformation and in this regard the need to examine certain WTO Agreements including the SCM, TRIPS, and TRIMs. For some caution was needed to avoid unintended consequences. In this regard, a number of delegations stressed that discussions on policy space for industrialization needed to be holistic to address all aspects of the matter. In this regard, the strengthening of the WTO deliberative function could positively contribute to a shared understanding on emerging needs of WTO members.
- 8. Many delegations pointed to the importance of revitalizing the Committee on Trade and Development, including its Monitoring Mechanism on S&D. Several recognized the importance of having cross-committee collaboration including for example linking the committee on Trade and Development with the Committee on Trade and Environment and the Working Group on Trade and Transfer of Technology. Several pointed that the CTD could support developing countries with capacity building efforts. Capacity constraints of small delegations were highlighted in scheduling meetings on development issues.
- 9. When it comes to LDCs, Members reiterated their commitment to further supporting their integration into global trade. Delegations welcomed the LDC graduation decision adopted this morning by the General Council. There was a clear willingness from Members to continue discussions on Annex 2, including on the clusters which build on the LDCs' work plan. It was noted that the

discussions should be based on facts and evidence. While some indicated that it would require time to complete the examinations, others recognized that the topic could be a possible deliverable for MC13. Members appreciated the fact that the decision on LDC graduation demonstrated coherence between the work of the WTO and the United Nations to support the most vulnerable members of the international community. This commitment demonstrated by the Senior Officials gives a strong boost for advancing the work on LDC graduation ahead of MC13.

10. Overall, my impression is that we had a fruitful discussion. A suggestion was made to consider exploring a declaration on development-related matters for MC13. It was also noted that progress on longstanding topics, including agriculture and fisheries would significantly contribute to the development efforts of WTO members. I hope we can build on these deliberations as we approach our work for MC13.

REPORT BY THE FACILITATOR OF DISPUTE SETTLEMENT REFORM H.E. MR. ANDREAS MOTZFELDT KRAVIK (NORWAY)

- 1. It is an honour to deliver this report following very productive discussions in the 3 breakout sessions on DS Reform today. I commend fellow Senior Officials for their constructive participation. The discussions were congenial, substantive and effective.
- 2. Senior Officials stressed the urgency of resolving the current challenges faced by the DS mechanism, including those related to the Appellate Body, and recognized that the dispute settlement system is a central element in providing security and predictability to the multilateral trading system.
- 3. It was clear that all Members attach high priority to addressing DS reform. Many Senior Officials reiterated the importance of restoring a fully functioning two-tier dispute settlement system.
- 4. Senior Officials recalled the MC12 commitment "to conduct discussions with the view to having a fully and well-functioning dispute settlement system accessible to all Members by 2024". In this regard, they expressed their strong resolve to achieving a successful dispute settlement reform and to deliver a positive outcome at MC13.
- 5. Senior Officials considered that the informal process on DS reform constitutes an important step towards preparing the ground for an outcome at MC13 and that good progress has been achieved towards this end. Some Senior Officials stressed importance of ensuring a meaningful outcome.
- 6. When it comes to the issue of formalization of the informal technical process on DS reform, there was a common understanding amongst Senior Officials who spoke on this issue that, at some juncture, before MC13, the process needs to be integrated into a formalized structure under the auspices of the DSB Chair. There were however some divergent views as to the appropriate timing of the formalization of the process.
- 7. Senior Officials stressed that it is imperative for DS reform work to adhere to the principles of openness, transparency, accountability, and inclusiveness. Many indicated their appreciation for the Convenor of the Informal Process being guided by these principles.
- 8. In expressing their political support for DS reform work, the following elements on the way forward were indicated: first, the need to focus on addressing the DS challenges with a sense of urgency; second, the need to take into account the dispute settlement interests of all Members; and third, the need to uphold the WTO's Member-driven nature, and to ensure full participation, inclusiveness, accountability and transparency, including by facilitating the participation of developing and LDC Members taking into account capacity constraints.
- 9. In conclusion, let me reiterate that, overwhelmingly, Senior Officials strongly supported the ongoing informal process being carried out in Geneva by technical experts. They recognized the value of the process and the progress achieved so far in order to achieve a positive and tangible outcome at MC13 while cognizant of the different views expressed on the issue of the timing of the formalization of this process. I hope that the political support and guidance provided by Senior Officials today will lead DS reform work towards fulfilling Paragraph 4 of the MC12 Outcome Document and will enable Members to address the challenges currently faced by the dispute settlement system.
- 10. Going forward, I encourage all Members to actively participate in the ongoing process with the view to achieving tangible outcomes at MC13. Finally, I would like to take this opportunity to thank Mr. Marco Molina, the Convenor of the Informal Process and I thank the Secretariat for assisting me in these very important and challenging informal discussions today.

REPORT BY THE FACILITATOR OF AGRICULTURE INCLUDING FOOD SECURITY H.E. MR. MUSTAFA TUZCU (TÜRKIYE)

- 1. At the outset let me also thank the Senior Officials for their active engagement in the sessions that I facilitated. In all three sessions on agriculture and food security, almost all Members stressed the importance of an outcome in agriculture and food security at MC13 bearing in mind that the current global context of rising hunger and malnutrition making it unlikely for SDG 2 to be met by 2030. I must commend Members for answering directly the two questions posed to them and for their positive and constructive approach during the discussions.
- 2. With respect to the first question about what would constitute the most optimal results on agriculture at MC13, and what could be the contribution of MC13 to food security, there were divergences in Members' positions.
- 3. For many developing Members, it was important for previous Ministerial mandates to be fulfilled. In that regard, they called for the adoption of a Permanent Solution to the PSH issue at MC13 considering the pivotal role it could play in alleviating the food security crisis and improving the livelihoods of farmers. They called for text-based negotiations as soon as possible. Some Members thought that reaching an agreement on a permanent solution would enhance WTO's credibility and unlock progress in the broader agricultural reform process. It was suggested by some LDCs that government to government sales from PSH stocks at discounted prices to LDCs and other vulnerable Members should be allowed to alleviate the food security crisis they are facing.
- 4. While recognising the role of PSH programmes, some Members expressed the view that it was only one of the tools that could be deployed to improve food security and considered that food security challenges would be better addressed within an open and less distorted trading system. For these Members, a permanent solution can only be achieved within the broader negotiations on domestic support to address the structural causes of food insecurity.
- 5. While proponents called for the updating of the external reference prices (ERPs) to better reflect current realities, some other Members observed that this issue should not be assumed to be a mere technical exercise as it would entail wider ramifications on Members' domestic support commitments.
- 6. Most Members also identified the disciplining of trade distorting domestic support as a priority for MC13. However divergent views were expressed as to how this overarching objective could be achieved. For some Members, it was necessary to level the playing field. Several Members thought that it would not be possible for an agreement to be reached on modalities at MC13 and that the optimal result would be to agree on broad parameters to guide the negotiations post-MC13 for a substantive outcome at MC14. Whereas some Members were of the view that a holistic approach should be adopted by considering all trade distorting support, others mainly developing countries considered it essential to preserve the flexibility under Article 6.2. Several Members were of the considered view that the various submissions on the table constituted a good basis to pursue the negotiations.
- 7. The need for an outcome on cotton was also mentioned by several developing Members, particularly the C-4, who recalled that Ministers had agreed that cotton would be dealt with ambitiously, expeditiously and specifically.
- 8. Some few Members identified Market Access as a priority for them in the lead up to MC13. They urged addressing both tariff and non-tariff barriers and alluded to the link between market access and food security.
- 9. Many developing countries also expressed the view that an optimal outcome on agriculture should include a special safeguard mechanism for developing countries to counter import surges and steep price declines. The challenge posed by the entry of subsidized agricultural imports was also raised by some.
- 10. While acknowledging the relevance of all topics in providing a comprehensive response to the food security crisis, several Members stressed the importance of well-functioning supply chains and considered that a substantive outcome on Export Restrictions at MC13 could constitute a concrete contribution by the WTO in addressing the current crisis. It was mentioned that enhanced transparency, including through clarification of some relevant terms would be apposite. Some

Members, however, said that they were opposed to any limitation on their current policy space to take recourse to such measures to assuage their domestic food security concerns.

- 11. Some other Members opined that an MC13 outcome should especially focus on possible immediate deliverables focussing on the needs of LDCs and NFIDCs. It was stressed in that connection positive outcomes needed to be achieved on the follow-up to work programme established under paragraph 8 of the MC12 Ministerial Declaration on Food Insecurity. The possible exemption of these Members from the imposition of export restrictions by net food exporting countries was also mentioned.
- 12. Several Members urged a holistic approach, within the outcome on agriculture through the reform process mandated by Article 20 of the Agreement on Agriculture and stressed the complementarity between the reform process and the food security goal.
- 13. Regarding the second question about how can MC13 best prepare the agriculture negotiations to achieve substantive outcomes, there were also divergences in Members' positions.
- 14. For some Members, it may still be possible to have some key deliverables at MC13. However, several Members cautioned against heightened expectations given the wide divergences in Members' positions on almost all the negotiating issues. They would therefore like MC13 to prepare the ground for intensive evidence-based negotiations thereafter with the expectation of reaching major outcomes at a later stage. In that regard, they believe that clear political guidance should be provided by Ministers at MC13. While some Members were of the view that it was important to distinguish among the negotiating issues, many others also stressed the need for a comprehensive, balanced and holistic outcome on agriculture and food security at MC13.
- 15. In conclusion, I remain optimistic that with the necessary political will and flexibility and thanks to the extensive work undertaken thus far, it should be possible for Members to reach an agreement on a credible food security package at MC13, with a clear commitment to continue negotiations on the other negotiating issues on the basis of principles or parameters to be agreed at MC13.

REPORT BY THE FACILITATOR OF TRADE AND INDUSTRIAL POLICY H.E. MS NG BEE KIM (SINGAPORE)

- 1. We had two Breakout Sessions on Trade and Industrial Policy this morning and this afternoon. I thank Members for the good level of engagement during these sessions.
- 2. Building on the recent Informal Meeting on WTO Reform focused on Trade and Industrial Policy, I asked Members "what concrete steps and actions were needed to ensure meaningful engagement on this topic at MC13 and beyond?"
- 3. At the outset, let me observe that the discussions in both breakout sessions mirrored largely the recent discussions which took place at the Informal Meeting on WTO Reform focused on Trade and Industrial Policy.
- 4. In today's exchanges, I could detect some readiness to engage on this topic in a meaningful, deeper, inclusive and evidence-based manner.
- 5. Many Members emphasized that development in particular, the need for relevant flexibilities, S&DT and policy space to ensure and sustain development needs to be at the centre of this discussion. In this context, several delegations referred to the proposal by the African Group on policy space.
- 6. Several developing Members also stressed the historical imbalance amongst Members as well as the importance of re-visiting the existing rules and policy tools offered by the WTO Agreements to deal with contemporary challenges. Four Agreements in particular were referred to by Members in this regard: GATT/Balance of Payments provisions, TRIMS, TRIPS, and the ASCM.
- 7. While some Members described industrial subsidies as legitimate policy instruments, particularly for facilitating the green transition and to support production of global public goods, several delegations expressed concerns regarding the potential misuse of subsidies. The divide between Members with respect to the capacity to provide subsidies was also stressed.
- 8. Addressing more precisely the guiding question for this break out session ("steps and actions for MC13"), I heard very different positions. I will attempt to group the main suggestions into three brackets:
 - Some delegations called for a work programme to be agreed at MC13; other Members proposed that Ministers could provide relevant guidance for future deliberations post-MC13.
 - Other delegations said that the discussion was still too premature to be brought before
 Ministers and that the exact scope of "industrial policy" should be defined more precisely. I
 heard suggestions that these discussions could take place in existing, relevant WTO bodies.
 In this context, the importance of transparency and inclusiveness was also stressed by many
 Members.
 - Many of these delegations also noted that the MC13 agenda was already rather full, and recalled that there were other outstanding matters, such as agriculture, which should be addressed first – as a priority for MC13.
- 9. It has been a privilege to facilitate the discussions on this very important topic. It is a very multifaceted and complex topic, and, on that note, I would like to thank the Senior Officials for your willingness to engage on this discussion.

REPORT BY THE FACILITATOR OF TRADE AND ENVIRONMENTAL SUSTAINABILITY H.E. MRS NELLA PEPE TAVITA-LEVY (SAMOA)

- 1. I make this report on behalf of Samoa's Senior Official, H.E. Henry Tunupopo who unfortunately was not able to join our sessions today. We heard very constructive responses to the guiding question posed in the 2 breakout sessions on Trade and Environment Sustainability today. All the Senior Officials who spoke recognized the need for collective action and substantive engagement on the global environmental challenges of climate change, biodiversity loss, and pollution. There was overwhelming support that the WTO and trade can, and must be part of, the solution.
- 2. At the outset, Senior Officials recognized the relevance of the trade, sustainable development and environmental sustainability interface at the WTO. Senior Officials reiterated the importance of having Ministers discuss trade and environment at MC13 and to provide further guidance on the direction of future work. Several Senior Officials were however of the view that issues were not yet mature enough for negotiations.
- 3. Many Senior Officials recalled paragraph 14 of the MC12 outcome document and highlighted the importance of "the Committee on Trade and Environment (CTE) as a standing forum dedicated to dialogue among Members on the relationship between trade measures and environmental measures". The CTE can advance the discussions on the mutual supportiveness of trade and environmental sustainability. Some Members suggested joint meetings of the CTE with other WTO bodies such as the Committee on Trade and Development (CTD) to bring in the development dimension and advance work on the SDGs.
- 4. Many recognized the substantive work being undertaken in the Dialogue on Plastic Pollution and Environmentally Sound Plastic Trade (DPP); Structured Discussion on Trade and Environmental Sustainability (TESSD); and Fossil Fuel Subsidy Reforms and the potential MC13 ministerial statements under preparation in these areas. Other Members expressed a preference for multilateral forums for deliberations on global environment issues at the WTO or in other multilateral environmental forums (MEAs) such as the UNFCCC. Many Senior Officials welcomed and supported Trade Day at COP28 as announced by the Chair.
- 5. Many Senior Officials also underscored that the scope and parameters of the WTO discussions on trade and environmental sustainability could benefit from further consideration at the CTE. Strong support was expressed to the process launched by the Chair of the CTE to improve the deliberative function of the Committee, including Members' proposals-based discussion and the organization of thematic sessions. They considered these elements were conducive to the further revitalization of the CTE and for future work.
- 6. In this regard, Senior Officials stressed that it is important to have more focused discussions on a wide range of issues including the use of unilateral measures and the concept of Common But Differentiated Responsibilities (CBDR), as well as how developing and least developed countries could be supported with climate finance, technology transfer, investment and the greening of trade and value chains.
- 7. Some Senior Officials saw an important role for the WTO to provide a platform for the exchange of trade-related climate initiatives taken at the national level. Such discussions could improve transparency, comparability and consistency of these measures to trade rules. Some Senior Officials also pointed to the role of the WTO in facilitating trade of environmental goods and services, addressing subsidies including in agriculture with harmful environmental effects and in tackling non-tariff measures that could arise from environmental measures.
- 8. In conclusion, let me reiterate that Senior Officials recognized the urgency and relevance of the ongoing work on trade and environmental sustainability being carried out in Geneva. I believe the work begun by Senior Officials in Geneva today will provide a platform for Ministers to discuss trade and environment when they meet at MC13 with a view to providing further political guidance. Finally, I thank all Senior Officials once again for their well-prepared engagements. I thank the Chairpersons for the opportunity for Samoa to be a Facilitator and once again convey the apologies of our Senior Official.