



AFRICAN GROUP ELEMENTS ON AGRICULTURE

FOR MEANINGFUL DEVELOPMENT OUTCOMES AT THE TWELFTH MINISTERIAL CONFERENCE

COMMUNICATION FROM BENIN ON BEHALF OF THE AFRICAN GROUP

The following communication, dated 22 November 2019, is being circulated at the request of the delegation of Benin of behalf of the African Group.

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- Agriculture is a vital sector for achieving Africa's aspirations to growth and development. Agriculture contributes by almost 15% to the total GDP of the continent, creating job opportunities for almost half of its working force, and therefore Agriculture for Africa is a matter of food security, employment, income and mere existence.
 - The negotiations on Agriculture in the DDA are therefore of paramount importance to the African Group. It is widely known that Agriculture remains the most trade-distorted sector in the context of WTO rules. Hence, reforming the agricultural rules is a critical development outcome in the DDA.
 - The African Group reiterates its position that discussions on reforming the Agreement on Agriculture (AoA) in particular and the World Trade Organization in general shall be revolving around the means to make the rules more development oriented and responsive to the challenges our continent is facing. Therefore, our priority in Agriculture negotiations is to correct the historical imbalances in the AoA in a manner that would enable our countries to respond to the challenges of food security compounded by climate change.

1 DOMESTIC SUPPORT

1.1. Substantial reductions of trade-distorting Domestic Support as stipulated in Article 20 of the AoA and as per the Doha mandate is a priority for Africa. African small farmers have been struggling to keep up with unfair competition with imported heavily subsidized agricultural products.

1.2. On product-specific support, Members with scheduled AMS entitlements shall apply a cap on their product-specific support beyond *de minimis* based on the average of the last three years figures notified to the Committee on Agriculture. A commitment will be made to further reduce the amount of product-specific support beyond *de minimis* as a percentage of the product's value of production (VoP), with a view to reaching the percentages stipulated in Article 6.4 of the AoA by the year XXXX.

1.3. Products subject to product-specific support which is on average during the last three years notified to the Committee on Agriculture below *de minimis*, shall not receive support in excess of the values stipulated in Article 6.4 of the AoA.

1.4. On Blue Box support, Members commit to set a specific end date for the existing programs classified as Blue Box support under Article 6.5 of the AoA and notify it to the Committee on Agriculture. End dates of all programs under this box shall be no later than the year XXXX. Upon the

notified end date, any continuation or renewal of existing programs as well as any new programs shall not be exempted from reduction commitments.

1.5. On Green Box support, stricter disciplines – as stipulated in paragraph 5.3 below – are to be applied on the usage of support provided for in paragraphs 5-13 of Annex 2 to ensure that it meets the criteria of being no or minimally trade distorting. A cap is to be applied on the usage of the Green Box support with respect to measures within the scope of paragraphs 5-13 of Annex 2 of the AoA.

1.6. Support provided for under Article 6.2 of the AoA remains critical to the African Group and shall remain unchanged.

1.7. Special and Differential Treatment to developing countries shall be an integral part of any outcome. LDCs, NFIDCs and Developing Members with no scheduled AMS entitlements shall be exempted from any further reduction commitments.

2 COTTON

2.1. Cotton is a central development issue and must be resolved ambitiously, expeditiously and specifically.

2.2. Negotiations on Cotton are to be pursued in an accelerated manner on the basis of the Communication by the Co-Sponsors of the Sectoral Initiative on Cotton in document TN/AG/GEN/49/Rev.1 – TN/AG/SCC/GEN/20/Rev.1, with the view of reaching a meaningful outcome on Cotton by MC12.

3 PUBLIC STOCKHOLDING FOR FOOD SECURITY PURPOSES (PSH)

3.1. According to the FAO's 2019 "State of Food Security and Nutrition in the World", it was found that Hunger is on the rise in almost all African sub-regions, making Africa the region with the highest prevalence of undernourishment, at almost 20% as compared to a world average of 10.8%. A situation that is forecasted to be more challenging over the coming years due to climate change.

3.2. A Permanent Solution for PSH by developing countries is to be agreed latest by MC12. Programs under the Permanent Solution are to be excluded from the calculation of Members' Aggregate Measurement of Support.

3.3. The Permanent Solution shall cover existing as well as future PSH programs for foodstuffs, and it shall not define a ceiling to the quantity or value procured.

3.4. Developing Members undertaking programs under the Permanent Solution shall ensure that stocks procured under such programs do not distort trade or adversely affect the food security of other Members. In addition, developing Members undertaking programs under the Permanent Solution shall ensure that no exports are made from products benefiting from this provision.

3.5. The application of PSH programs shall be carried out in a transparent manner, and the developing Member undertaking such programs should upon request hold consultations with other Members on the operation of its PSH programs. Transparency requirements shall be conducted in a manner that would not impose onerous burdens on developing countries and especially LDCs and NFIDCs.

4 SPECIAL SAFEGUARD MECHANISM (SSM)

4.1. African countries have been subject to massive and repetitive import surges, resulting over the years and in the absence of any means to safeguard the market in substantial reductions in production mounting in some cases to more than 50% decrease, and the loss of numerous jobs.

4.2. Members are to intensify the discussions in the dedicated session on SSM of the Committee on Agriculture in Special Session with the view of concluding the negotiations on the SSM by MC12.

4.3. The Mechanism shall cover both price-based and volume-based triggers with no *a priori* product limitations as to its availability, and it shall be easily applied by developing countries, with flexible time limits for application to address the needs of the developing Member utilizing the mechanism.

4.4. The operation of the SSM shall be carried out in a transparent manner, and the Member invoking the SSM should afford any interested Member the opportunity to consult with it in respect of the conditions of application of the measure. Transparency requirements shall be conducted in a manner that would not impose onerous burden on developing countries and especially LDCs and NFIDCs.

5 TRANSPARENCY

5.1. The VoP of each product subject to product-specific AMS support beyond *de minimis* shall be notified to the Committee on Agriculture on an annual basis to monitor the Members' compliance with their reduction commitments.

5.2. The end dates of the existing programs listed under the Blue Box support of Article 6.5 shall be identified and notified to the Committee on Agriculture. In addition, the VoP of products subject to Blue Box support shall be notified annually to the Committee on Agriculture, along with the values of production of the two years precedent to the notification, in order to examine the production limiting nature of such programs.

5.3. The base periods for programs under paragraphs 5-13 of Annex 2 of the AoA shall be defined, fixed and unchanging, and they shall be notified to the Committee on Agriculture, along with – to the extent applicable – a list of the products eligible for each program notified under Annex 2 of the AoA.
