

Negotiations on Agriculture & Food Security towards MC13

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Madhyam-TWN Trust Webinar on
“What is on the table for developing countries at MC13?”

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The core agriculture negotiations

- Clear that issues being discussed at the COASS, and of major interest to developing countries, are totally blocked
- This includes the permanent solution on PSH, SSM, Cotton. In particular PSH is facing strong resistance in spite of a 2017 deadline mandate and a joint proposal from 80 countries (JOB/AG/229, G33, African Group and the ACP)
- Domestic Support: Opposing positions continue. Proposals by African Group, India are not heard. Costa Rica proposal supported by Cairns Group.
- **Looks unlikely there will be any outcome on these issues at MC13 though developing countries are still pushing ...**
- **But in parallel, other tracks may be pushed.**

Parallel advancement of a food (in) security agenda from developed countries/Cairns Group with lone focus on trade liberalization

Issues of interest to developing countries from a FS perspective

- 1) **Permanent Solution on PSH**
- 2) **Special Safeguard Mechanism (SSM):** To protect against import surges.
- 3) **Domestic Support disciplines** that integrates S&DT and disciplines developed country subsidies to bring equity.
AG proposal: AMS, Blue Box, Green Box (Cairns Group: targets total absolute level of subsidies, including AMS, Blue Box, *de minimis*, *development box*, **subsumes PSH**)
- 4) **Tools for NFIDCS and LDCs:** Following from the Food Insecurity Declaration 2022, new AG proposal not much movement, new proposal by African Group.

Issues of interest to developed countries using a FS perspective

- “No restriction and distortion of trade”
- 1) **Constraints on export restrictions**
 - 2) **Market access**
 - 3) **Transparency**

Food Security for developing countries

- Food security of critical importance for developing countries. They have been highlighting key elements and demands.
- Reflected in issue specific proposals, also FS proposals by several developing countries (also as part of pandemic response)
- They have asked for policy space to augment production and productivity, to support food security and livelihoods, have access to the necessary technology
- Given global agricultural markets are concentrated and volatile, augmenting production and productivity and diversifying production base will help stabilize global trade, not work against it.
- Unfair AOA rules have contributed to such concentration and created inequitable impacts on agricultural production and trade
- Important that developing countries strongly articulate their narrative on food security solutions

Export Restrictions (ER)

- In addition to being promoted under a FS agenda, standalone proposals by Singapore, UK on export restrictions covering notification + substantive rules
- This area will see some big push.
- Notification requirements always inequalising, and amounts to constraints on use
- GATT art 11.2.a attempts to balance domestic with global needs, plus Art 12 provides S&D on notification.
- Further disciplines must not undermine ER use as a crisis response tool
- Full liberalisation of exports may not be to the benefit of NFIDCs/LDCs in a situation of crisis. Free exports can go to the highest bidder and restrict access for those who are the neediest. Also need to consider what is expected of them.
- Preferential treatment of NFIDCs and LDCs on a best endeavour basis can be considered. There are proposals already (African Group). There may be some agreement on this.
- What is behind the push to remove or tighten export restrictions? For example, raw material grab?

Reform/reset Agenda, sustainability, technology...

- There is also a **market-based reform agenda** that refers to Art 20 of the AOA, refers to sustainability and food security (Brazil, Cairns Group). Alongside and overlapping with a reset agenda with a “holistic”, almost new mandate.
 - Pushing for new mandate, new framework?
 - Will it incorporate principles from the Doha Round?
 - Risky to accept any such commitment esp when outstanding issues have not been met.
- **Sustainability** is an issue that has to be watched out (Cairns Group, EU). It may come in as cross cutting or in specific areas. Agriculture may see a big push within or outside a reform agenda (SFS, commitment on SD). May impose standards/ barriers especially targeting subsidies.
 - While SD balances 3 dimensions, in trade space it can open a lot of issues in addition to environment.
 - EU agenda on SFS advances a very problematic framework
- **Technology** is another issue to be watched for. May be incremental push to include a US led agenda in MC13.