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Global Civil Society Celebrates Failure of Talks at World Trade Organization (WTO)

Our World Is Not For Sale Calls on WTO Members to Abandon Binding Deal on Trade Facilitation, Focus Instead on Removing WTO Obstacles to Food Security at upcoming Bali Ministerial

Today in Geneva, WTO Director General Roberto Azevêdo announced that governments have failed to reach agreement on a "Bali package" in advance of the upcoming Ministerial, set for December 3-6, 2013. The global civil society Our World Is Not For Sale (OWINFS) network, which has long opposed the talks on Trade Facilitation (see <u>June letter</u>) celebrated this outcome, while urging governments to focus their time in Bali onmaking permanent changes to WTO rules to allow developing countries to pursue Food Security.

A deal on Trade Facilitation would have bound developing countries to the customs and port-of-entry policies and procedures that rich countries have implemented over many decades to their own advantage, imposing excessive regulatory, human resources, and technological burdens on developing countries. At the same time, developed countries have been unwilling to commit to <u>providing resources for poor countries</u> to modernize their facilities, meaning that they would have to prioritize computerizing their customs offices over their schools, and improving infrastructure at ports rather than at hospitals. The United States and its allies have tried to spin this deal as a "win-win" for developing countries, but they saw through that farce and didn't give in to U.S. bullying.

Civil society calls on WTO members to continue negotiations towards addressing historical imbalances and existing unfair and damaging rules in the WTO through the other aspects of the "Bali package:" agriculture and some policy changes to benefit Least Developed Countries (LDCs). Unbelievably, existing WTO rules allow developed countries to massively subsidize their agriculture (to the tens or hundreds of billions annually), while only 17 developing countries are allowed to subsidize over a minimal amount. As poor farmers make up a large percentage of the "bottom billion," removing this limit to Food Security in the WTO is the most sensible way the international community can reduce hunger, poverty, and inequality. In the last year, India has courageously led a coalition including dozens of other developing countries, demanding that WTO rules change to allow them to subsidize farmers producing food for domestic consumption, so that they can implement a national Food Security law, and reach the Millennium Development Goal to reduce hunger.

Unfortunately, the United States has stubbornly blocked proposal, flatly refusing to negotiate on it during the year (while also refusing to agree to significantly reduce their own agribusiness subsidies!) Thus the current debate focuses on a potential "Peace Clause" – meaning that countries agree not to file disputes against each other in the WTO on the rules in question. Of course, the proposed Peace Clause would only make sense if it were to be in effect until a permanent change to the rules could be agreed upon. However, DGAzevêdo proposed a so-called "compromise" that would only last for four years, with no requirement that a permanent solution be agreed. And it would require developing countries to "prove" that their domestic subsidies do not distort trade – while developed countries would still be allowed to spend billions on trade-distorting subsidies. Thus, press reports blaming India for "blocking" such a "compromise" show a little grasp of the current WTO rules, or outright bias towards the United States. Global civil society sent a letter last week, urging governments to reject a temporary "fix" and instead negotiate a permanent solution to remove WTO obstacles to Food Security.

In addition, global civil society called on members to approve a package of policy changes to allow LDCs to gain more from global trade. "Now that talks on expanding the WTO have collapsed, members should take advantage of the time in Bali to discuss an urgent agenda of transforming existing rules to allow countries to pursue Food Security, as well as jobs, sustainable development, access to affordable healthcare and medicines, and global financial stability. Proposals to achieve these, as well as other changes that should be made to the global trading system, form the <u>Turnaround Agenda</u> endorsed by nearly 250 civil society groups – including development

advocates, trade unions, farmers groups, environmental and consumer organizations – from more than 100 developing and developed countries from across the globe," said Deborah James, OWINFS campaign facilitator.

The post-Bali agenda should also leave aside other efforts to expand the WTO's failed corporate globalization agenda. In particular, letters urging caution in the talks to expand the <u>Information Technology Agreement</u>, and urging governments to abandon talks towards a <u>Trade in Services Agreement</u>, have demonstrated widespread global civil society opposition to that direction of the WTO negotiations.

OWINFS is a global network of NGOs and social movementsworking for a sustainable, sociallyjust, and democraticmultilateraltrading system.www.ourworldisnotforsale.org