



What's at Stake at the WTO's 13th Ministerial Conference This Month in Abu Dhabi?

By Deborah James*
February 21, 2023



Center for Economic and Policy
Research
1611 Connecticut Ave. NW
Suite 400
Washington, DC 20009

Tel: 202-293-5380
Fax: 202-588-1356
<https://cepr.net>

*Deborah James (djames@cepr.net) is the Director of International Programs at the Center for Economic and Policy Research (www.cepr.net) and facilitates the global Our World Is Not for Sale (OWINFS, www.ourworldisnotforsale.net) civil society network on the WTO.

The author thanks Professor Jane Kelsey, Kinda Mohamadieh, Ranja Sengupta, Adam Wolfenden, Sanya Reid Smith, and Abhijit Das for substantive and editorial contributions.

From February 26–29, 2024, the United Arab Emirates (UAE) will host the 13th Ministerial Conference (MC13) of the World Trade Organization (WTO). Governments from 164 countries will be joined by Timor–Leste and Comoros, the first two nations to join the group since 2017.

At stake is a fight between two visions of what role the WTO, as the world’s most powerful rule-making body in the global economy, should play.

Should the institution expand as an even more corporate-influenced body, with rich countries allowed to set agendas, impose negotiation mechanisms in their favor, and leave poorer countries — and multilateralism itself — in the dustbin of history?

Or should members of the institution recognize the constraints that the current rules place on developing economies, including the harm caused to workers, farmers, and the global environment, and increase flexibilities so that these countries can use trade for their development?

Ministerial Declaration

Debates over the Ministerial Declaration illustrate most clearly what is at stake. There are two primary assaults through which rich countries are attempting to take the WTO in a more pro-corporate and less multilateral direction. First, by changing the rules on how the WTO operates. Many developed countries, with support from the director-general, are attempting to make it even more responsive to corporate wishes and even less able for developing countries to have a fair shake at negotiations, under the rubric of “WTO reform” and the euphemism “Reform by Doing.” And second, by negotiating plurilateral agreements to replace multilateralism and requirements for consensus and impose an even more neoliberal order, notwithstanding developing-country resistance.

WTO “reform” has emerged as a key focus of WTO activities in recent years. But rather than make the institution more responsive to members’ needs for development policy space, the current efforts must be understood as hijacking the “reform” concept to eviscerate developing countries’ ability to bargain collectively.

Developed countries have proposed changes such as **pushing “deliberations” instead of “negotiations.”** Negotiations are a core pillar of the WTO, along with monitoring and enforcement, but “deliberations” have no legal basis in the WTO. The shift aims to get around a fundamental WTO requirement that negotiations can only be undertaken under a consensus mandate.

Another WTO “reform” strategy suggests replacing the consensus required by the WTO’s founding Marrakesh Agreement with an invented idea of “**responsible consensus**,” meaning that one courageous developing country that is politically independent enough to oppose the rich country agenda (with support from most of the others) would be prevented, on some vague



criteria, from opposing or would be made irrelevant. But based on sheer political power, the US or EU would still retain power to block whatever they want.

A further aspect of “reform” is to increase the use of **monitoring and reporting requirements**, which developing countries already find difficult to comply with.

Then there is the lack of resolution to the paralysis of the **Dispute Settlement Mechanism** (DSM) by the United States. The fundamental problem with the DSM is not that it overstepped with regards to the US. It’s that the entire system almost always sides against the defendant’s public interest regulations, in favor of the rights of a corporation to “trade.” In 46 of 48 cases in which countries tried to defend their public regulation based on the public interest exceptions in the WTO, the body decided in favor of the “right to trade” over the “right to regulate.” The underlying issue is that it’s adjudicating over WTO rules, and the rules are not fit for the purpose of shared prosperity and sustainable development.

The WTO secretariat has aided and abetted these efforts by **creating more informality in the structure**, such as not keeping notes, not having formal meetings by delegated bodies, and not having chairs selected by the membership. All these mechanisms are intended to increase the power of the director-general, Dr. Ngozi Okonjo-Iweala, and the Secretariat while decreasing accountability and transparency to the membership.

In fact, the negotiations on a proposed 60-page text on WTO reform took place through informal discussions, without normal WTO documentation, procedures, and participation, and with a chair not chosen by the membership. This did not comply with WTO’s mandate as a member-driven organization.

In addition, the director-general has created a Business Advisory Group that provides her with a direct mechanism for corporate influence. (A parallel Civil Society Advisory Group, **proposed by the International Chamber of Commerce to provide a veneer of parity**, was hand-selected by the Secretariat to be utterly nonreflective of global civil society expertise and advocacy regarding the WTO.)

Development Policy Space

Under the rubric of WTO reform, rich countries are also pushing a **permanent change to the structure of Special and Differential Treatment (SDT)** provisions. These allow flexibility from the existing harmful rules, without which developing countries would never have agreed to allow the WTO to come into existence. The changes are intended to replace developing countries’ rights to flexibilities and power to negotiate as a group with a requirement that they individually beg for and provide justification for any use of SDT. Rich country members would then be able to concede or block the provisions.

It’s important to highlight that since the inception of the WTO, developing countries have realized that many of the rules are antithetical to their economic development needs. The trade

liberalization rules in the WTO were designed by rich countries to benefit economies that already enjoy competitive advantages. Developing countries' economies, however, are still shaped by the impacts of colonialism, resource entrapment, premature deindustrialization, and austerity policies mandated by the International Monetary Fund (IMF) and the World Bank.

Thus, since the inception of the organization, they have asked for changes to WTO rules that were damaging for them to implement. A reduced set of these proposals were then included in the **development agenda** in the Doha Round, as an incentive to pressure developing countries to agree to other aspects driven by corporate interests. These are flexibilities that these countries could use for development, ensuring that they benefit, for example, when foreign multinational corporations enter their economies — instead of experiencing massive inflows of imports that wipe out local industries. To date, of more than 100 proposals originally offered, there remain a mere 10 agreement-specific proposals in the development agenda.

Unfortunately, for the 23 years since the launch of the Doha Round, which mandated these negotiations, the development agenda has been systematically opposed and blocked by developed countries, especially the United States.

Developing countries are also fighting to include language in the Ministerial Declaration that would recognize their need for **policy space for industrialization and structural transformation** — the key goal of the African Union and other regional groupings for many years. Developing countries have also proposed language that would create certain **flexibilities for developing countries to respond to crises**. Given the onslaught of externally created crises — ranging from the financial crisis to COVID-19, climate disasters, and the current debt crisis — which originated in the rich countries, it would not seem unreasonable to request some flexibilities from harmful WTO rules. Developing countries lack access to the same tools, such as monetary expansion, enjoyed by rich countries to handle crises.

Instead, now the EU is even appropriating some of the African Group's "development policy space" language to claim that the EU needs such space — while still blocking developing countries' demands!

The Death of Multilateralism and the Rise of the JSIs

The second mechanism by which rich countries are attempting to make the WTO even more pro-corporate is by pushing "**flexible multilateralism**." After the MC11 in Buenos Aires in 2017, proponents of WTO expansion decided to launch "Joint Statement Initiatives," or JSIs, which are simply plurilaterals on subjects of importance to rich countries and their corporations. They lack the mandate for negotiations that the Marrakesh Agreement requires and include some issues that members explicitly agreed *not* to negotiate until the Doha Round was concluded. **They are thus illegal in the WTO**. There are now myriad JSIs, and the Secretariat has engaged in a pernicious support of these corporate initiatives, to the detriment of the WTO's multilateral role. Language in the Ministerial Declaration legitimizing JSIs would represent a further **deterioration**



[of multilateralism](#) — much to the disadvantage of developing countries and development-oriented trade policy.

A [JSI on “Investment Facilitation”](#) has been framed as “good for development.” But it would impose obligations and processes that [handcuff countries’ ability to ensure that foreign investment benefits development](#) and [give foreign investors the right to comment on and lobby against](#) proposed laws they don’t like, without putting any new responsibilities on investors. The text was agreed in July. The cochairs have announced [plans for its adoption at the MC13](#) as a plurilateral agreement that requires consensus of all members. That’s why China, another champion, has placed enormous political pressure on other developing countries in recent months to sign on. Given the [global backlash](#) against binding agreements for investors’ rights, and the failure of binding investment rules actually delivering investment for development over decades, this is another example of the WTO going in the opposite direction of evidence and global opinion.

In a shocking and unprecedented action, at the General Council meeting on February 14 the director-general of the WTO — *who is not a member* — berated South Africa and [India for opposing entry](#) into the WTO of the Investment Facilitation agreement. Both countries cite numerous legal grounds on which the agreement does not comport with WTO rules regarding plurilaterals. These provisions have never been used because plurilaterals were viewed with extreme caution within the multilateral system.

For example, in emphasizing the multilateral nature of the WTO at its founding, members insisted that any plurilateral can only be accepted with “explicit consensus” of the membership, thus ensuring that any single member had the right to oppose its entry. Were these rules to be upended, the WTO could potentially be used to dock nearly any agreement that a group of members, acting in their corporate interests, so desired.

A [JSI on domestic regulation of services](#), which will [limit countries’ ability to regulate](#) domestic services in their economies, [was agreed by some members](#) in December 2021. It has not yet come into effect, because South Africa and India have opposed attempts to shoehorn it into the WTO through the improper use of schedules. At a time when many countries are expanding the role of the state, from provision of public services to increasing regulation of sectors like finance and digital, this agreement is intended to preempt increasing democratic supervision of services in favor of pro-corporate, light-handed regulation.

A [JSI on digital trade](#), sometimes called e-commerce, has been thoroughly analyzed and criticized by civil society as an attempt by Big Tech to take over the (de)regulation of the digital economy. [Several chapters of this agreement](#) have been or are nearly finalized in a [first tranche plurilateral agreement](#). But the United States dealt a huge blow to potential conclusion of the full deal by rescinding support for key provisions that guarantee the globalization of data flows and [prevent governments from being able to require the disclosure of source code](#). The US Congress is currently deliberating on artificial intelligence (AI) and Big Tech regulation in many ways that the proposed rules would preclude. That’s served as a great cue to others; those who have stayed out



of the JSI should be pleased by their prescience. Those who joined should take *the opportunity to withdraw now*. While civil society has *lauded this democratic move*, Big Tech’s massive lobbying machine is going into overdrive. Despite being farther along in regulating this sector, the EU has yet to rescind support for the *provisions that would undermine its regulation*.

WTO proponents are also **hijacking inclusion language** to push JSIs on **micro-, small-, and medium-sized enterprises (MSMEs) and gender**. The idea is to displace “countries” as the defining unit and thus erode any legal benefits that developing countries have preserved in the WTO. Under this scenario, a country like Uganda should not use its government procurement to, for example, support its own local businesses; it would need to open markets and spend tax dollars on foreign MSMEs and foreign women-owned businesses. This is a huge appropriation of the concept of “inclusion” — and the director-general is featuring a plenary panel on it on the first day of the MC13, even though there is, again, no agreed mandate in the WTO to discuss it.

Environment and Trade

The UAE also hosted the recent *Conference of the Parties (COP)* of the United Nations Framework Convention on Climate Change (UNFCCC) last November. The WTO has put forth a lot of “sustainability” and “climate” rhetoric recently, boasting that “trade can be part of the solution” to climate change. But a little truth-telling reveals that this rhetoric belies an opposite agenda. There are **several JSIs being negotiated under the guise of trade and the environment**. These initiatives tend to focus on *increasing trade in ways that are beneficial for the proponent developed countries*, rather than on addressing the harmful climate impacts of existing trade patterns.

One potential deal is the *Informal Dialogue on Plastics and Environmentally Sustainable Plastics Trade*. While member states of the United Nations Environment Assembly are negotiating an international, legally binding instrument on plastic pollution, a WTO deal could require countries to take on plastic pollution dumped by rich countries in the name of the “circular economy.” The vast number of corporations participating in the negotiations, when contrasted with the scarce resources of one or two environmental advocacy groups, is another ominous portent — a sign of how the WTO has opened its doors to even further corporate takeover. Another set of negotiations is taking place under the *Trade and Environmental Sustainability Structured Discussions (TESSD)*.

Parallel negotiations are underway outside the WTO. The proposed *Agreement on Climate Change, Trade and Sustainability (ACCTS)* can best be understood as using environmental language to push the same old liberalization agenda. This agreement is intended to liberalize a list of “environmental” goods and “environmental” services, along with potentially reforming harmful fossil fuel subsidies and setting voluntary guidelines on eco-labeling. But the list of such goods is usually intended to benefit the export interests of the proposing countries, rather than on products that would ameliorate the climate crisis. And it does not address the enormous emissions generated by increasing trade. Likewise, the list of environmental services is so far-



reaching that it represents a back door to services liberalization opposed by civil society and developing countries for decades.

These agreements fail to include major legal rights of developing countries present in multilateral environmental agreements, particularly Common But Differentiated Responsibilities (CBDR), and are thus of [great concern for developing countries](#).

Instead, agreements that genuinely promote both equity and environmental sustainability would focus on reducing the WTO's harmful and excessive patents and other intellectual property, the solution to which would be a waiver on global green technologies to promote [technology transfer](#). UNCTAD's [2022 Trade and Development Report \(TDR\)](#) offers a "positive" trade and environmental agenda, which also calls for financial resources and technical capacity-building for climate-smart infrastructure. UNCTAD's [2023 TDR](#) further underscores the need for "revisiting existing international trade agreements to create policy space for countries to redesign their production, consumption and trading profiles to face contemporary global challenges."

Finally, [developing countries are raising concerns](#) about the [deployment of unilateral measures](#) to address climate change. In particular, they express unease about the Carbon Border Adjustment Measures (CBAMs) implemented by the EU and the US\$369 billion in subsidies in the Inflation Reduction Act (IRA) approved in the United States. Both appear to violate WTO rules by [discriminating against foreign producers](#). UNCTAD estimates that the CBAMs will reduce global carbon emissions by not more than 0.1 percent while decreasing global real income by \$3.4 billion, with developed countries' incomes rising by \$2.5 billion but [developing countries' incomes falling by \\$5.9 billion](#).

It is essential that members of the WTO reckon with the harmful impacts of trade and adopt provisions for promoting upscaling of green technologies in developing countries, rather than [using the WTO to further liberalization aims using "sustainability" rhetoric](#).

Multilateral Negotiations Blocked: Access to Medicines

It is beyond outrageous that [some rich countries blocked the approval of a waiver](#) of Trade-Related Intellectual Property Rights (TRIPS) patent monopolies that restricted developing countries' access to vaccines, diagnostics, and treatments throughout the COVID-19 pandemic and to this day. Members came to an agreement on some provisions in 2022 for vaccines only. But the "agreement" in no way reflected the original proposals by South Africa, India, and other developing countries, and was [designed to be unworkable](#). In fact, it has not been usable, as expert CSOs predicted. For MC13, countries, at the very minimum, should have agreed to [extend the provisions to diagnostics and treatments](#) and to keep negotiating on this life-or-death topic.

But it appears that Big Pharma and its government allies in Switzerland, the EU, Japan, and the US blocked the extension to even those paltry provisions. In the end, despite a massive [global campaign by development and health-access experts, corporate greed and rich countries' cowardice](#) means there still is no deal even to extend the existing paltry agreement to tests and therapeutics.

WTO members still have a chance to do something small on TRIPS: a [moratorium on “non-violation” complaints](#) has been routinely approved at Ministerial Conferences. This ensures that members cannot file cases against other members when they feel that a benefit that they intended to obtain from the agreement is impaired, even if the other country is not violating the agreement. It should be approved on a permanent basis.

Multilateral Negotiations: E-commerce Moratorium

When e-commerce was still an insignificant aspect of global trade, members of the WTO agreed to a “moratorium” on [customs duties on electronic transmissions](#). It's high time for this tax holiday for Big Tech to end. Countries should have the right to decide if taxing Amazon e-books, Netflix movies, Apple music, Microsoft software, and video games is in their national interest, as these foreign operators compete tariff-free against domestic small- and medium-sized businesses.

The [UN Conference on Trade and Development](#) (UNCTAD) and other pro-development institutes, such as the [Third World Network](#), the [South Centre](#), and the International Centre for Tax and Development of the [Institute of Development Studies](#) (IDS), have all demonstrated that the lost revenues for developing countries from allowing tariff-free electronic imports are substantial and could be mobilized to support digital industrialization in the developing world. In addition, they could help level the playing field for analog domestic businesses that trade under the normal tariff structure.

In a huge boost for Big Tech's anti-tax agenda, the WTO secretariat persuaded the World Bank, the Organization for Economic Cooperation and Development (OECD), the IMF, and a branch of UNCTAD to produce a paper claiming that the revenues would be minimal, [but it is based on false and rebutted assumptions](#). But even if it were to be case, why not allow countries to choose?

WTO members should allow the moratorium to lapse, rather than be renewed, at MC13. The JSI on e-commerce seeks to preempt such discussions in the future by making the ban permanent.

Major Multilateral Negotiations: Agriculture

Some of the most significant multilateral negotiations at the MC13 will focus on agriculture. Members agreed at the founding of the WTO that the countries that were the biggest subsidizers — predominantly the US and Europe — would cap those subsidies at the existing levels and negotiate an agreement to bring them down. They gave themselves a peace clause for several

years in which these members agreed not to sue each other for breaching the agreement. However, negotiations to bring down subsidies have never been finalized.

In particular, the issue of the massive subsidies given to cotton producers in developed countries became so egregiously damaging, particularly for four African countries (Benin, Burkina Faso, Chad and Mali but also for others) that members agreed to find an expeditious deal to discipline cotton subsidies — in 2005. This too has never been resolved.

Today, countries like the United States still subsidize in the range of about US\$20,000 per farm producer. Meanwhile, in a country like India, the figures approximate US\$300 per farmer. In India, the problem of hunger and malnutrition reached such crisis levels that, a number of years ago, over 3,000 food security civil society organizations sought to convert the food Public Distribution System (PDS) from a political tool used to win elections to a guaranteed Right to Food for poor people.

The organizations won a law requiring the government to engage in a best practice called **Public Stockholding**. It's not just a market. The state intervenes to guarantee rights, meaning the government not only distributes food in a PDS but buys the food from farmers at a decent, administered price. This is because the overwhelming number of people in extreme poverty (around 800 million) in India are farmers. Poverty is thus reduced on both sides, supporting production and consumption.

These public stockholding programs do not just exist in India. [They are used](#) in Egypt, Indonesia, Jordan, Kenya, Morocco, Pakistan, Tunisia, Turkey, Zambia, and Zimbabwe, among other countries.

According to the anachronistic WTO rules, the subsidy given to producers for such procurement is viewed as trade-distorting, as it in principle encourages over-production. It is not just the government administered purchase price over the current market price that is seen as distorting, however. It is the difference between the purchase price and a base price — which was set by the WTO as the average price from 1986 to 1988! There has been tremendous inflation since then, especially in food and even more so in developing countries' food. The base price is nowhere near reality; it's more than 35 years old (older than the WTO) and far, far overestimates the actual subsidy given.

These rules defy all logic and sense. When challenged on this issue, US negotiators say the answer is simple: India should buy American rice — which is subsidized! It seems their goal is to cause 800 million Indian farmers who produce for the domestic market to starve, and to have their children malnourished and stunted, while redirecting the money that India spends on distributing food to subsidized American rice instead of aiding India's rural poor.

Fortunately, a broad coalition of developing countries — the G33 grouping, along with the African, Caribbean, and Pacific (ACP) Group, or about 80 countries in total — have fought hard in the WTO against these archaic rules, which are highly detrimental to their food security.

In 2013 they were able to gain a temporary Peace Clause. But this peace clause is highly restrictive, with [quite onerous conditions](#). A country can invoke the peace clause only for traditional staple crops; only for programs that existed when the peace clause came into existence; only if they meet vague safeguard conditions, such as not distorting trade or adversely impacting food security of other countries; and only if the country actually provides extensive notifications — thus giving its opponents all of the data they need for a case against them. And that is exactly what has happened. The United States has filed a WTO case against India for subsidizing food grown for domestic consumption. It seems that, according to the US, not enough children are starving or stunted in this, and other, developing countries to satisfy the greed of massive agribusiness exporters.

But the **peace clause is temporary**. Members committed to negotiate a [permanent solution to the public stockholding issue by 2017](#), but they never have. At MC13, Big Agribusiness from the EU, the US, and Australia (and including, unfortunately, a couple of developing country agribusiness exporters) has made it very clear that the profit interests of multinational corporate exporters are more important than the lives of hundreds of millions of children and adults around the world.

Developing countries also have long-standing demands that would allow them to increase tariffs to protect domestic markets when they experience an import surge. This proposed Special Safeguard Mechanism (SSM) for developing countries is similar to the Special Agricultural Safeguard (SSG) already enjoyed by many developed countries. But the SSM has been blocked for decades by some WTO members, and the developed countries are trying to extract further tariff concessions for it.

There are also negotiations on other standard “[market access](#)” issues. The coalition of countries representing agribusiness exporters known as the Cairns group now wants developing countries to also cut their tariffs and subsidies, despite having much less policy space in which to maneuver than developed countries. Developing countries were not giving large subsidies to begin with!

Since COVID-19, countries have discussed food security — but this dialog has also been hijacked by countries still pushing trade liberalization as the only solution. Their idea is that countries should provide more market access by lowering import duties and not putting up export restrictions. The WTO does not allow export restrictions in general but does allow countries to use such restrictions in a food crisis to address domestic food security concerns.

Developing countries do have some special rights with regards to export restrictions. But they are under pressure not to restrict exports even in times of crisis. While net food-importing developing countries (NFIDCs) and Least Developed Countries (LDCs) may be given preferential treatment, opening up exports may not ensure food goes to the neediest within or outside of a country. As happened with many market-based products during COVID-19, food may go to the highest bidder. And countries can always lower tariffs if they need imports; they don't have to be compelled to do so mandatorily.

WTO members should absolutely agree to a permanent solution for public stockholding at MC13, as well as for the long-standing need for the SSM. But because of the power of recalcitrant business interests, developed countries may be unlikely to do so, while at the same time pushing to constrain export restrictions and open markets.

Major Multilateral Negotiations: Fisheries Subsidies Negotiations

An Agreement on Fisheries Subsidies (AFS) was reached at the previous Ministerial. The AFS prohibits a range of fishing and fishers subsidies that include those for overfished stocks, Illegal, Unreported and Unregulated (IUU) fishing, as well as fishing in unregulated waters. While some have lauded the outcome, its failure to hold those most historically responsible for global overfishing accountable, undermining fish stock sustainability while placing added burdens on developing countries, [represents an empty harvest](#).

While the WTO is eager for [a further agreement](#), the [current text of negotiations](#) fails to support either fish stocks, marine conservation, or development, according to a [letter from fisherfolk and their allies](#), led by the Pacific Network on Globalization (PANG):

[Research estimates](#) that of the USD 35.4 billion of global fisheries subsidies provided in 2018, 19% went to the small-scale fishing sub-sector (SSF), including artisanal, and subsistence fisheries. While more than 80% went to the large-scale (industrial) fishing sub-sector (LSF), of which subsidies that were capacity-enhancing totaled USD 18.3 billion with fuel subsidies being the highest overall subsidy type (USD 7.2 billion).

Negotiations on fisheries subsidies in the WTO were renewed from the Sustainable Development Goal (SDG) 14.6 mandate which aims to “prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, and eliminate subsidies that contribute to IUU fishing, and refrain from introducing new such subsidies, recognizing that appropriate and effective special and differential treatment (SDT) for developing and least developed countries should be an integral part of the WTO fisheries subsidies negotiation.”

The current Chair’s text for MC13 is failing to meet the SDG mandate because [of the following]:

Those most responsible aren’t being held accountable. Under the current Chair’s text there is no recognition of historical responsibility for the state of global fish stocks and overfishing. The text does not target large-scale or industrial-scale fishing. The decades of subsidisation from industrial fishing nations and fleets are not accounted for in the design of prohibitions, resulting in a text that fails to target those responsible for sustained overfishing and who have built their fleet capacities, nor the wealth that has been accrued at the expense of fish stocks and developing country resource holders.

Small Scale Fishers are caught up in the agreement. If a developing country catches more than 0.8% of global marine capture, the exemption allowed is for small-scale fishers who meet the criteria of being “low income, resource poor and/or livelihood fishing” within either 12 or 24 nautical miles of the coastline. Both the definition and the geographical limit severely constrain the policy space available to these governments to support their small fishers. This is also extremely unfair given that small fishers are not the ones responsible for unsustainable fishing.

Inadequate flexibilities. Many developing country resource holders aspire to expand their domestic fleets to fish their own waters without having to rely on outside fleets. To do this, there may be a requirement for subsidization, yet this agreement makes that harder. The division of developing countries around the percentage of global marine capture (below or above 0.8% under current Chair’s text) undermines the principles of special and differential treatment and doesn’t reflect the domestic capacity that members must meet the obligations of the agreement. Crucially, the ability of developing countries to be able to access the provided flexibilities relies on them meeting the notification requirements set out; these go beyond the existing subsidy agreement requirements.

WTO to decide on fisheries management measures. The proposed text allows for prohibited subsidies to continue provided that it is demonstrated the stocks being fished are being managed sustainably. This is a lopsided clause as it will benefit those with advanced monitoring mechanisms, namely the developed countries, to continue to subsidise their fleets. It also opens up a Member’s conservation measures to be challenged in the WTO, an enforceable body with no expertise in fisheries management, which again favours those members with the capacity to challenge another member.

Undermining the United Nations Convention on the Law of the Sea (UNCLOS). The current Chair’s text impinges on the sovereign rights of countries to manage and exploit their fisheries resources by requiring them to report management measures to the WTO for possible contestation as well as restrict their ability to support the domestic fishing fleets. The WTO will undermine existing international ocean treaties and therefore weaken the capacities of developing countries to manage fish stocks and prevent distant-water fishing fleets from accessing fish stocks.

An imbalanced agreement that rewards capacity. The text as it currently stands will be of most use to those, mostly developed, countries that already have the existing capacity to subsidise their fleets and manage their fish stocks. The management and measurement of fisheries stocks is prohibitively expensive for many developing countries, making it harder for them to manage all their fish stocks as well as report to the WTO in order to access flexibilities in the text. Punishing those with the least capacity to manage, subsidise or notify does not address the dire state of global fish stocks but instead punishes those least responsible.

An undemocratic and divisive process. The outcome of MC12 was driven by the secretariat and only secured through all-night negotiations, something beyond the scope for many developing country delegations. We have not seen any attempt to involve small-fisher groups in these talks. In addition, it needs to give developing country and LDC members enough opportunity to participate and voice their opinions till the end, and the green room type of consultations conflict with the desired approach.

Thus, these groups call “on Ministers to make sure that any outcome on overfishing and overcapacity subsidies negotiations target those who have the greatest historical responsibility for overfishing and stock depletion, excludes all small-scale fishers from any subsidy prohibitions, prevents the WTO from ruling on the validity of conservation and management measures of members, and upholds the sovereign rights of countries under UNCLOS.”

Pro-development, Pro-worker, and Pro-environment Positions

Global civil society, working together through the Our World Is Not for Sale (OWINFS) global network, has long advocated for a complete turnaround in the direction of multilateral trade rules. Global rules should allow countries to safeguard food security, promote good jobs and livelihoods, ensure public interest regulatory oversight, and engage in sustainable development — and not constrain these in the interest of “trade” beneficial to large multinational exporters.

In the interim, the network calls for Social Impact Assessments of the existing rules, including on inequality, employment, food security, financial stability, public services, access to medicines, and other issues, with a view to implementing changes to existing rules which are necessary to ensure a multilateral trade system that is sustainable, socially just, and democratic.

In the immediate term, for MC13, the path towards a farmer-, fisher-, worker-, environment- and development-friendly outcome is clear:

- Stop pursuing a distorted WTO reform agenda.
- Conclude the Development Agenda!
- On JSIs: Stop pursuing plurilateral agreements at the expense of addressing real multilateral concerns in the multilateral body of the WTO. If it’s digital, environment, MSMEs, gender, Investment Facilitation, or Domestic Regulation, they are all harmful to food, livelihoods, and sustainable development.
- Stop using “sustainability” to hide neoliberal policies, and instead look at how trade contributes to climate change and what changes we can make to limit and reduce that damage.
- Agree to a real waiver for COVID-19 vaccines, therapeutics and diagnostics and the TRIPS non-violation complaint moratorium.



- Oppose the moratorium on customs duties on e-transmissions; it's just Big Tech tax evasion.
- On Agriculture: Agree to an uncomplicated permanent solution for public stockholding, agree to a Special Safeguard Mechanism, oppose the Cairns group demands for more “free trade” in agriculture, and allow poor countries to protect their domestic food production.
- On Fisheries: Allow developing countries to expand their artisanal fish production for food security and livelihoods and uphold existing UNCLOS rights for members. Countries that caused global overfishing should have to reduce their fleets and their subsidies, not just face restriction on where they are now.

We are a long way off of the true transformation of the global trade rules system that is desperately needed. But now more than ever, it's key that a well-organized [civil society is present at the WTO's MC13](#) to help developing countries resist the rich-country push towards an even more corporate WTO.

