

## **ACP Statement for Meeting of TNC**

**3<sup>rd</sup> May 2021**

Thank you, Director General and we join in welcoming you to this your first TNC. The ACP Group thanks you for your report and encouraging comments. We also thank the Chairs of the WTO negotiating groups for their reports.

The ACP Group wishes to respond to your requests for our priorities for MC12, how we can arrive at successful outcomes and ways in which the WTO can address issues arising from the COVID-19 pandemic. We are encouraged by your quest to identify deliverables for MC12 as soon as possible so that we can advance our work in earnest. We also look forward to concretizing ideas concerning the proposed July Ministerial. The ACP Group will play a constructive role in contributing to discussions to arrive at outcomes at MC12 that reflect a balance among the WTO's membership, focused on development, complementary to the SDGs and assist us to meet the challenges posed by the COVID-19 pandemic. We believe that in accordance with the mandate of the TNC, our priority should be the mandated issues for which our Ministers want to see progress.

Chair,

The following ideas are without prejudice to the Group's continued deliberations on these very important issues with a view to further contributions.

### **Fisheries Subsidies**

Chair,

I begin with fisheries subsidies. We have consistently expressed our support for an early conclusion of the negotiations and we will remain in a constructive mode in this regard. An outcome should respect Ministers' MC11 mandate, especially as it relates to effective and appropriate special and differential treatment being an integral part. An outcome on this file should be meaningful. It must be effective in the global fight against IUU fishing and global fish stock depletion; target major subsidizers and large-scale industrial fishing; and not contain loopholes that can be easily used as a pretext to maintain the status quo.

At the same time, an outcome should not be too burdensome to implement; should provide adequate policy space for developing countries and LDCs to develop their fisheries sector responsibly and without WTO scrutiny; exclude artisanal and small-scale fishing; narrow the development divide between the fisheries sectors in developed and developing countries; and respect the sovereign rights of WTO members. The ACP Group cannot accept transition periods alone with technical assistance and capacity building.

The ACP Group stands ready to make the appropriate contribution to ensure that such an outcome becomes a reality this year. We have already begun bilateral work on convergence building texts on the various issues.

## **Agriculture**

Turning to agriculture, the ACP Group is of the view that food security, livelihood and building back better from the pandemic should form the basis of our work. In this regard, an outcome package at MC12 should include PSH, SSM, Cotton and trade distorting domestic support, particularly as it relates to eliminating AMS above de minimis and appropriate strengthening

of blue and green box disciplines. Given the thrust towards rural development and agricultural reform in our capitals, we cannot agree to changes to Article 6.2. An outcome package based only on transparency does not reach the bar for the ACP Group. We can aim for an outcome on export restrictions that does not jeopardize our members' food security. We can take up a post - MC12 work programme on market access, but we believe that tariff escalation, tariff simplification, non-tariff measures (such as SPS, TBT), special products in line with self designation and S&DT must be embedded in such a work programme. The sequence in the agriculture negotiations will also need to be respected.

## **Services**

The services sector is significantly impacted by the pandemic and its effects are widely felt in the form of, inter alia, job losses, loss of foreign exchange and GDP contraction. ACP members whose economies are dominated by sectors such as tourism and travel services were particularly affected. Our submission in JOB/SERV/305 demonstrates these realities. There is scope for the WTO and individual members to enhance collaboration, including in improving digital capabilities, to drive recovery in sectors such as health care, education and trade facilitative services.

MC12 provides an opportunity for the WTO to play an important role in the rebuilding process and in our quest for bolstering the resilience of the services sector in developing countries and LDCs. In that context, engagement in accordance with the mandate and consistent with GATS Article XIX, especially as it relates to the in-built flexibilities for developing and least developed countries will be critical.

## **E-commerce**

As it relates to the ecommerce moratorium, we need to continue discussions on issues surrounding the moratorium as well as issues relating to the digital divide, and specific issues such as source code, data localization and cross border data flows which are not new to the discussions on the Work Programme. We are working on technical papers on various issues. We need to focus on how we can reinvigorate the Work Programme given our specific interest on the development dimension of this longstanding area of work in the multilateral framework of the WTO and believe that MC12 provides an avenue to pursue these objectives.

## **Development**

On special and differential treatment, an outcome for MC12 based on the G90 proposals would assist our national efforts to stabilize our trade imbalances, including those arising from the COVID-19 pandemic, build back better and successfully integrate into the global economy and global trading system.

## **Intellectual Property**

Vaccination is the most durable solution to the COVID-19 pandemic. The WTO has an important role to play in facilitating swift, timely, affordable and equitable access to the vaccines and therapeutics to combat the pandemic.

We thank proponents of IP/C/W/669 and agree with its general objectives. We also thank proponents of other proposals aimed at resolving the issue of access to vaccines and other supplies necessary to respond to the pandemic.

The ACP Group urges collaboration, constructive dialogue and flexibility to arrive at an outcome on this very critical issue by MC12. We also think our approaches should assist us in dealing with future pandemics with priority given to the multilateral response to the current pandemic.

## **Trade, Debt and Finance**

### **Chair**

Turning to trade debt and finance, the pandemic has dislocated our fiscal targets. It further restricts government's ability to provide sustainable financial policies to our economies. with significant implications for sectors such as MSMEs whose existing challenges are further aggravated by the pandemic. Ready access to appropriate financing is needed to facilitate production, trade and promote economic recovery. Together with this is the issue of debt facing developing country's and LDCs. These need to be reviewed holistically as mandated by our Ministers. A durable solution must therefore be envisaged.

The WTO can play a role in collaborating with international organizations and other stakeholders to avert a pandemic-induced contraction of global trade, and to explore alternative means to address debt financing which remains a developmental challenge during this pandemic when production and trade is seriously decimated. Developing countries and LDCs stand to lose most from such a scenario. Most members have not even yet recovered from the global financial crisis of 2007 to 2009. We hope that Ministers will be in a position to agree on a set of possible ways in which the WTO can play a role in dealing with these issues under this file.

## **WTO Reform**

On **reform**, the Group renews its call for a comprehensive dialogue on the structure, scope and objectives of WTO Reform. We cannot continue with a piecemeal, one-sided approach in which the discussions are being undertaken. The process and substance of reform should facilitate the development dimension of international trade, accelerate the attainment of the Sustainable Development Goals, be pursued in a fair, transparent and equitable manner, and, importantly, reinforce the core development principles framed in the Marrakesh agreement. Our Ministers should be presented with a reform work programme to this effect at MC12.

It is also time to resolve the Appellate Body impasse. A two-tier, transparent, independent dispute settlement system, as envisaged by the DSU, is critical to the functioning and credibility of WTO. Our Ministers should address this issue by MC12.

In closing, we prefer a Ministerial declaration for MC12. This declaration, we believe, should include the issues which I have highlighted. We stand ready to make the appropriate contribution in ensuring that these issues are dealt with in a fair, balanced and development oriented manner. Resolving these issues by MC12 is critical to our stabilization and rebuilding efforts in light of the COVID-19 impact on our trade capacity and development goals.

I thank you, Chair.