



Trade Negotiations Committee

STATEMENT BY THE CHAIRMAN OF THE GENERAL COUNCIL

THURSDAY, 16 OCTOBER 2014

1.1. As I stated at Heads of Delegations' meeting on 15 September, the TNC and the General Council have been acting in concert in an effort to assess the situation with respect to the implementation of all the Decisions and Declarations agreed by Ministers in Bali.

1.2. Meetings of all the regular bodies in charge of implementing the Bali mandates have taken place following the HODs meeting on 15 September. In these meetings, Chairpersons have – as encouraged by Members and the Director-General – tried to assess the level of engagement and the ability to move forward in each area of the Bali Package. I have maintained a regular dialogue with all the Chairpersons before and after their respective meetings and have systematically and regularly reviewed the situation with the Director-General.

1.3. The picture that emerges from these consultations – albeit with some nuances depending on which of the Committees was involved – is rather homogeneous. All Chairs have reported to me that varying degrees of concerns were raised in each of their bodies on the possibility of moving forward with the work in the respective areas, given the current impasse involving the implementation of the Trade Facilitation Agreement and the Decision on Public Stockholding for food security. In some bodies, linkages between the need to solve the situation before work can proceed have been made more explicitly. I should add, however, that sensitivity has been expressed by several delegations about the implementation of the LDC-related Bali Decisions.

1.4. Allow me to give you a full account of where things stand in each of the regular bodies – and I will start with **Agriculture**.

1.5. The Chair of the Committee on Agriculture held informal open-ended consultations on 16 September to take stock of Members' positions on the implementation of the Bali outcomes and to exchange views on the way ahead in light of the reflection that Members undertook after 31 July. The Chair recalled the Committee's essential role in the monitoring and transparency functions of the WTO and in providing a forum for Members to discuss policies in the context of the implementation of commitments under the Agreement on Agriculture. She noted the progress made in the area of notifications, highlighting a notification from India which had been circulated on 10 September.

1.6. Many Members stressed the importance of continuing the regular Committee work on agriculture relating to monitoring, transparency, and notifications. But at the same time, some Members made clear that, unless trade facilitation was resolved, work on the remaining Bali implementation mandates would not be taken up. Other Members noted that, given the timetables for Committee work on export competition and TRQ administration, Members could postpone the decision on the status of these issues. Members discussed the question of which committee – regular CoA or CoA in Special Session – should address the public stockholding issue and the Chair concluded that she would only be able to take up the question regarding the proper forum for discussions on public stockholding when the fundamental issue concerning Bali implementation had been settled.

1.7. Moving to **Trade Facilitation**, a meeting of the Preparatory Committee took place on 29 September. The session had two main agenda items:

- a. First, in line with the requirements of the Bali mandate, the Preparatory Committee received the notifications of category A commitments submitted by delegations since the Committee last addressed the matter on 2 July;
- b. This was followed by an informal working session in which Members were asked to exchange their views on the road ahead.

1.8. The feedback I have received from Ambassador Conejos on the developments regarding the first agenda item was that the Committee received an impressive number of new notifications – almost 40 since July. We both took this as a positive sign of Members' continued commitment to the Trade Facilitation Agreement and its expeditious entry into force. It was especially heartening to see so many notifications being tabled over the summer break, despite the current situation. The overall number of submissions now approaches 50 – there were 48 as of 1 October.

1.9. Exchanges on the second agenda item, on the other hand, revealed that there is no movement on the circumstances that prevented Members from adopting the Protocol of Amendment at the end of July. It clearly emerged that the Preparatory Committee is currently not in a position to draw up such a Protocol to insert the TFA into Annex 1A of the WTO Agreement. Members were also unable to come to a common understanding on what should be given priority in terms of the next steps – and in which framework. Ambassador Conejos will be consulting delegations further on the way forward.

1.10. Moving to **Development and LDC issues**, the CTD Chairman convened an informal open-ended meeting on 23 September to take stock of Members' positions and exchange views on the way ahead on the Bali Decisions relating to the **Monitoring Mechanism on S&D**, and to **Duty-free Quota-free market access for LDCs**.

1.11. At that meeting, some delegations did express concern that a standstill on further implementation of the TFA could have an adverse effect on other areas of work and that this hiatus was not good for the multilateral trading system. Members also said they were willing to carry on further work on both the Monitoring Mechanism and on DFQF market access, in accordance with the mandates given in the Bali decisions.

1.12. The next meeting of the Monitoring Mechanism will take place in November. With regard to the CTD's annual review on DFQF market access – also scheduled for November – the Secretariat has, based on the go-ahead given by Members at the 23 September meeting, already begun the preparation of its report on Members' DFQF schemes which, as mandated by the Bali Decision, will be prepared in close coordination with Members.

1.13. Moving to the Services Council, which as you know is in charge of implementing the **Decision on the LDC Services Waiver**, the LDC Group submitted its Collective Request on 21 July. At the September meeting of the CTS, the Group gave a detailed overview of the submission, providing additional background information and context to its various elements. Delegations welcomed the Request, as a stepping stone in the process of the operationalization of the LDC waiver; indicated that they were still reviewing the document, and would revert to it; and stressed their willingness to engage in discussions with LDCs, to further clarify specific elements of the Request and make progress towards operationalizing the waiver.

1.14. However, a handful of delegations alluded to a potential linkage of progress on the LDC waiver with other Bali outcomes, in general terms at least.

1.15. With regard to the High-Level Meeting that the CTS is mandated to convene six months after the circulation of the Collective Request, LDCs stated their expectation that the Meeting would take place in the second half of January 2015. They are currently reflecting on the procedural aspects and will present their views on the organization of the event to the Council. As the next CTS meeting is scheduled for the last week of November, the Chairman of the CTS encouraged LDCs to share their ideas with Members, so that planning for the High-Level Meeting could proceed.

1.16. And finally, concerning the **Decision on Preferential Rules of Origin for LDCs**, the Chairman of the Committee on Rules of Origin convened an informal meeting on 17 September. At

that meeting, Members expressed their commitment to implementing that Decision and reaffirmed the importance of the Decision for the LDCs and for the work of the CRO. However, a number of Members who spoke thought that the Decision could not be implemented as if the situation remained "business-as-usual". They believed that greater clarity was required regarding the commitment of Members to implement other parts of the Bali outcomes, particularly the Trade Facilitation Agreement, before full implementation of the Decision could proceed.

1.17. I consider it is clear from the reports of the Chairs that I have just summarized that the implementation of the Bali mandates in all areas is not unfolding in a "business-as-usual" scenario. This impasse has already had a "freezing" effect on the Bali implementation work in a number of bodies - and its impact may well further deepen and affect other areas of work.

1.18. This concludes my statement on the state-of-play concerning the implementation of the Bali outcomes.
