The 12th Ministerial Conference took place from 12 to 17 June 2021 at the WTO’s headquarters in Geneva. It was originally scheduled to take place in December 2022 but was postponed due to the pandemic.
The WTO’s 12th Ministerial Conference (MC12) concluded successfully on 17 June with agreement on a series of unprecedented decisions on fisheries subsidies, the WTO response to COVID-19, food security, e-commerce, WTO reform and other topics. The Conference was originally due to be held in December 2021 but was postponed due to COVID-19.

“The package of agreements you have reached will make a difference to the lives of people around the world. The outcomes demonstrate that the WTO is, in fact, capable of responding to the emergencies of our time,” said Director-General Ngozi Okonjo-Iweala at the closing ceremony.

“They show the world that WTO members can come together, across geopolitical fault lines, to address problems of the global commons, and to reinforce and reinvigorate this institution. They give us cause to hope that strategic competition will be able to exist alongside growing strategic cooperation,” she added.

“Geneva package” – in brief

The historic package of agreements secured at MC12 was the culmination of efforts by WTO members to provide concrete trade-related responses to important challenges facing the world today. The outcomes reached on fisheries subsidies, the WTO response to the pandemic, food insecurity, e-commerce and other issues demonstrate that the multilateral trading system can respond to some of the most pressing challenges of our time.

Fisheries subsidies

WTO members have forged an Agreement on Fisheries Subsidies which sets new global rules to curb harmful subsidies and protect global fish stocks in a manner that also recognizes the needs of fishers in developing
and least-developed countries (LDCs). It is the first WTO agreement to place environmental sustainability at its core. Fisheries subsidies — estimated to range from USD 14 billion to USD 54 billion per year globally — enable many fishing fleets to operate longer and farther at sea, to the detriment of marine life.

“The Agreement prohibits support for illegal, unreported and unregulated (IUU) fishing. It bans support for fishing in overfished stocks. And it takes a first but significant step forward to curb subsidies for overcapacity and overfishing by ending subsidies for fishing on the unregulated high seas,” DG Ngozi Okonjo-Iweala told members at the closing session of MC12, noting the positive impact for 260 million people who depend on marine fisheries for their livelihood.

Developing and LDC members, moreover, stand to benefit from provisions specific to them in the Agreement and from technical assistance and capacity building that shall be provided through the WTO Fisheries Funding Mechanism. The WTO’s Negotiating Group on Rules has been tasked by members to continue negotiations to further curb certain subsidies that contribute to overcapacity and overfishing. The Agreement enters into force upon its ratification by two-thirds of the membership.

WTO response to the pandemic, including IP response

In response to the ongoing impact of COVID-19, members adopted a Ministerial Declaration on the WTO response to the current and future pandemics. This includes a waiver of certain requirements under the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) concerning the use of compulsory licences to produce COVID-19 vaccines.

DG Okonjo-Iweala said these decisions “will make access to medical supplies and components more predictable in this pandemic, and in the next one.” The TRIPS waiver compromise “will contribute to ongoing efforts to deconcentrate and diversify vaccine manufacturing capacity, so that a crisis in one region does not leave others cut off,” she added.

The Declaration calls on relevant WTO bodies to continue or initiate work on lessons learned and challenges experienced during the COVID-19 pandemic. Areas of focus will include export restrictions, food security, intellectual property, regulatory cooperation, services, tariff classification, technology transfer, trade facilitation, and transparency. A yearly stocktaking exercise will take place in the General Council up to the end of 2024.

In parallel, the Ministerial Decision on the TRIPS Agreement provides a platform for members to work together to diversify vaccine production capacity. Members will have greater scope to take direct action over the next five years to override the exclusive effect of patents through a targeted waiver that addresses specific problems identified during the pandemic, especially facilitating and streamlining vaccine exports. Members also have greater clarity regarding other options open to them for pandemic response, including an array of emergency use measures.

This outcome also opens the way for technical support from WHO, WIPO, the WTO and others to make full and effective use of all the options. Members also agreed that, no later than December
2022, they will decide on whether to extend the waiver to cover the production and supply of COVID-19 diagnostics and therapeutics.

While all developing country members can benefit from the decision, developing country members with existing COVID-19 vaccine manufacturing capacity are encouraged to opt out.

**Food insecurity**

The MC12 outcome package on agriculture comprised a Ministerial Declaration on the emergency response to food insecurity and a Ministerial Decision on exempting World Food Programme (WFP) humanitarian food purchases from export prohibitions or restrictions. Both respond to demands from the international community for immediate action by WTO members to address food shortages and soaring food prices and ensure that the most vulnerable can access emergency food aid.

The Declaration underlines the strong commitment by WTO members to take concrete steps to facilitate trade, which plays a vital role in improving global food security, and improve the functioning and resilience of global food markets. It also reaffirms the importance of not imposing export prohibitions or restrictions on agri-food trade in a WTO-inconsistent manner.

The WFP Decision was welcomed by WFP Executive Director David Beasley: “This humanitarian exemption … ensures critical relief reaches the most vulnerable.” DG Okonjo-Iweala said the Decision will make it easier for the WFP to “do its difficult job of feeding millions” suffering from acute hunger.

**E-commerce work programme and moratorium**

As part of their Ministerial Decision on the Work Programme on electronic commerce, WTO members agreed to maintain their current practice of not imposing customs duties on electronic transmissions and to intensify discussions among members on this topic. The moratorium will remain in effect until MC13 due to be held by the end of 2023 or until 31 March 2024 should MC13 be delayed beyond that date.

DG Okonjo-Iweala welcomed the decision, noting that the moratorium, which has been renewed at every Ministerial Conference since its adoption in 1998, will help preserve the enabling environment the WTO provides to the global digital economy and the millions of businesses and jobs that depend on it.

**WTO reform**

WTO members have agreed to undertake a comprehensive review of the WTO’s functions.

WTO members applaud the gaveling of the Geneva Package.
in order to ensure the organization is capable of responding more effectively to the challenges facing the multilateral trading system. DG Okonjo-Iweala said the decision reflects the “widespread recognition that the WTO’s core functions need to be updated and improved.”

In the MC12 outcome document adopted on 17 June, ministers committed members to work towards reform of the organization to improve all its functions through an open, transparent and inclusive process. The review will be carried out through the WTO’s General Council and its subsidiary bodies, with the goal of submitting possible reform proposals to MC13. Previously, members have submitted proposals on issues such as improving the transparency of governments’ trade measures, reviewing special treatment for developing countries and reinvigorating the WTO’s negotiating function.

Ministers also agreed to talks on addressing concerns with respect to the WTO’s dispute settlement system with the view to securing a fully functioning system by 2024.

Other decisions

Ministers adopted a Sanitary and Phytosanitary (SPS) Declaration on responding to challenges that may significantly impact international trade in food, animals and plants. The Declaration commits WTO members to launching a work programme to identify new challenges in the implementation of the WTO’s SPS Agreement, with the aim of enhancing how the Agreement is applied.

Ministers also adopted a decision reaffirming the commitment of members to the WTO’s Work Programme on Small Economies, which seeks to address the particular challenges facing these economies. Another decision extends the moratorium on so-called TRIPS “non-violation and situation” complaints, which deals with situations where a government may complain it has been deprived of an expected benefit because of another government’s action, even if no agreement has been violated.

How the conference was organized

MC12 was held at the WTO’s headquarters in Geneva, Switzerland, from 12 to 17 June 2022. Co-hosted by Kazakhstan, the Conference was chaired by Timur Suleimenov, First Deputy Chief of Staff of the Kazakh President. The Conference was originally scheduled to take place in Nur-Sultan, Kazakhstan, in June 2020 but was postponed due to COVID-19.

In his closing remarks, Mr Suleimenov told members: “This week, you have all contributed to making what seemed impossible come to fruition. We have all engaged in frank and sometimes very difficult conversations. We may have not achieved everything that we set out for, but we have delivered, and this is something that all of us should be proud of.”