

## AIR Spotlight - WTO Twelfth Ministerial Conference (MC12)

AIR Spotlight is an insightful program featured daily on the All India Radio Newsonair. In this program, many eminent panellists discuss issues of importance which can be quite helpful in [IAS exam](#) preparation. In this article, the 12th ministerial conference of the World Trade Organisation is discussed.

### Participants:

- Anil Wadhwa, Former diplomat
- Simran Sodhi, Journalist

### **Context:**

Recently, member countries of the [World Trade Organization \(WTO\)](#) concluded the Twelfth Ministerial Conference (MC12) securing agreements on various issues such as relaxing patent regulations to achieve global vaccine equity; ensuring food security, according subsidies to the fisheries sector, and continuing moratoriums relevant to e-commerce, among others which are collectively called **the 'Geneva Package'**.

Union Commerce Minister Piyush Goyal led the Indian delegation for the twelfth ministerial conference.

### **Significance of the 12th Ministerial Meeting:**

This WTO meeting assumes significance because as per the World Trade Organization chief Ngozi Okonjo-Iweala, the world is facing a “**polycrisis**” which involves the **Covid-19 pandemic**, the [Ukraine-Russia war](#), the food crisis, and the energy crisis.

### **Areas of Interest for India:**

Important issues for India are **WTO response to the pandemic, fishery subsidy negotiation, agriculture-related issues, particularly public stock holding, WTO reforms, and the moratorium on customs duties on electronic transmission.**

### **Rising Food Crisis and WTO:**

Currently, there is a gap between production and supply which is contributing to the world food crisis. One of the agreements was the exemption of the [World Food Program](#) from export restrictions.

- Though a significant contributor to the WFP, India is opposed to the blanket exemption to export restrictions as it may come in conflict with **food security measures at home.**
- India also sought to protect its food grain procurement program, that is, the [MSP](#).

- India, along with the G-33, the African Group and the ACP group, negotiated to support a permanent solution to public stockpiling for food security purposes.
- At the Ninth Ministerial Conference held in Bali, Indonesia, in 2013, ministers adopted the “Bali Package”, a series of decisions aimed at streamlining trade, allowing developing countries more options for providing food security, boosting least-developed countries’ trade and helping development more generally. It was agreed that in the interim, until a permanent solution is reached, Members would exercise due restraint (**commonly termed as ‘peace clause’**) in raising disputes in respect of public stockholding programmes for food security purposes instituted before 7th December 2013, even if countries exceeded their permissible limits. Consequent to the firm stand taken by India at the WTO, this peace clause was extended by a decision of the WTO General Council (GC) in November 2014 until a permanent solution was agreed upon and adopted. **Thus, it was ensured that the ‘peace clause’ would be available in perpetuity.**
- Another important issue was the **Special Safeguard Mechanism** to protect agricultural produces from import surges and sudden price falls through additional import duties.

Also read: [WTO Agreement on Agriculture](#)

#### WTO Reforms:

- According to India, WTO reforms are necessary for keeping development at its core and have consensus-based decision-making. The reforms should not include **non-trade areas** such as climate change and gender.
- India aims to strengthen fundamental principles, preserving special and differential treatment, consensus based decision making and non-discrimination.
- Among the reform proposals, the most consequential is the US-EU-Japan trilateral initiative, announced at the MC 11. The US-EU-Japan trilateral initiative, immediately after the postponement of MC 12, on 30 Nov. 2021, came out with a joint statement intending to address concerns relating to non-market practices, existing enforcement tools and developing new rules, as required.
- India led the initiative to present a developing country reform proposal (Developing countries reform paper “Strengthening the WTO to promote development and inclusivity” in Aug. 2019 which was co-sponsored by Bolivia, Cuba, Ecuador, Malawi, South Africa, Tunisia, Uganda, Zimbabwe and Oman.)

#### India’s Stand on WTO Reforms:

- India opposes **open-ended reform proposals** and wants members to first agree on **elements of reforms**, the precise nature of the process to carry out discussions before initiating reform work.
- India believes that the reform process and its outcomes should not alter, or in any manner affect, **Members’ rights and obligations under the [WTO Agreements](#)** and agreed mandates and that the agreed rules of procedure of the General Council shall apply to the review process.

### WTO Response to the Pandemic:

- One of the important measures taken by the WTO to address the pandemic is the [TRIPS](#) waiver proposal.
- Ambassador David Walker of New Zealand as the facilitator identified six verticals for work in this area – **export restrictions; trade facilitation, regulatory coherence, cooperation and tariffs; role of services; transparency and monitoring; collaboration with other organizations; and framework to respond more effectively to future pandemics.**
- India is working for a balanced outcome by engaging with various members and groups to build consensus.
- India wants the WTO response to address the supply side concerns and doesn't want to conflate the challenges of the pandemic to areas like market access, reforms, export restrictions, and transparency.
- Regarding intellectual property, **India seeks:** (i) a recognition of the difficulties faced by developing countries and LDCs in utilising TRIPS flexibilities to address the COVID-19 pandemic, and (ii) a reaffirmation of the TRIPS waiver decision under the responses' declaration.