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## TRADE POLICY BRIEFS

# TWELFTH WTO MINISTERIAL CONFERENCE (MC12) – OUTCOMES FOR AGRICULTURE AND FISHERIES

- The Twelfth Ministerial Conference (MC12) of the World Trade Organization (WTO) took place in Geneva, Switzerland, from 12 to 17 June 2022.
- At MC12, Ministers adopted a set of decisions and declarations on several trade issues, known as the "Geneva Package", with important outcomes on agriculture and fisheries.
- The package includes a Ministerial Decision on World Food Programme (WFP) Food Purchases Exemption from Export Prohibitions or Restrictions; a Ministerial Decision on fisheries subsidies; a Ministerial Declaration on the Emergency Response to Food Insecurity; and a Ministerial Declaration to launch a work programme on the role of the WTO Agreement on SPS Measures in addressing new and emerging challenges.

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The Twelfth Ministerial Conference of the WTO was held in Geneva, Switzerland, from 12 to 17 June 2022, and co-hosted by Kazakhstan. Kazakhstan was originally scheduled to host MC12 in June 2020, but the Conference was postponed due to the COVID-19 pandemic (WTO, 2022a).

Despite initial uncertainty, WTO Members delivered the "Geneva package" of agreements, a set of decisions and declarations on various trade issues, including agriculture and fisheries.

In particular, Ministers agreed on a *Ministerial Decision on World Food Programme (WFP) Food Purchases Exemption from Export Prohibitions or Restrictions* (WTO, 2022b), a Ministerial Decision on fisheries subsidies (WTO, 2022c), and a *Ministerial Declaration on the Emergency Response to Food Insecurity* (WTO, 2022d). Members also adopted a Ministerial Declaration to launch a work programme on the role of the WTO Agreement on Sanitary and Phytosanitary (SPS) Measures in addressing new and emerging challenges (WTO, 2022e).

### The "Geneva package"

# Agreement on fisheries subsidies. Ministerial Decision of 17 June 2022

The Agreement on Fisheries Subsidies is the most important multilateral deal on fisheries negotiated at the WTO since its establishment in 1995. With this Ministerial Decision, the membership decided to prohibit subsidies to vessels or

operators engaged in illegal, unreported and unregulated (IUU) fishing or fishing-related activities in support of IUU fishing, and to establish new rules for subsidies targeting overfished stocks. The Agreement also prohibits Members to grant or maintain subsidies provided to fishing or fishing-related activities outside of the jurisdiction of a coastal country, and outside the competence of a relevant Regional fisheries management organizations (RFMOs).

Moreover, recognizing the importance of effective special and differential treatment, the Agreement foresees – for developing and least developed country (LDC) Members – the opportunity to benefit of temporary waivers in the implementation of the Agreement. The Decision also states that targeted technical assistance and capacity building assistance to developing countries will be provided and that, in support of this assistance, a voluntary WTO funding mechanism will be established in cooperation with relevant international organizations, including FAO.

The Ministerial Decision further includes institutional arrangements for the establishment of a WTO Committee on Fisheries Subsidies. Among other tasks, the Committee will monitor the implementation of the Agreement, including with regard to the transparency obligations of Members.

The Ministerial Decision also includes the protocol that amends the *Marrakesh Agreement Establishing the WTO*, which has been submitted to the WTO Members for acceptance. When two thirds of the membership formally notify acceptance of this Protocol, the Agreement on Fisheries Subsidies will enter into force.

#### Ministerial Decision on World Food Programme (WFP) **Food Purchases Exemptions from Export Prohibitions or** Restrictions

WTO Members agreed that they would not impose export prohibitions or restrictions on foodstuffs purchased for humanitarian purposes by the World Food Programme. Members informed that such Decision was adopted in view of the critical support provided by the WFP in poor countries, which was made more urgent as global hunger levels have increased sharply.

However, ministers underlined that this outcome shall not prevent any Member from adopting measures aimed at ensuring its domestic food security, and stressed that a compromise was found with the understanding that the WFP always takes procurement decisions on the basis of its principles to "do no harm" to the supplying Members, and promotes local and regional food procurement.

#### Ministerial Declaration on the Emergency Response to **Food Insecurity**

The Ministerial Declaration on the Emergency Response to Food Insecurity represents the first multilateral declaration addressing the issue of food insecurity in WTO history, and it stresses Members' concerns about trade disruptions, record-high prices and excessive price volatility for food and agricultural products as threats to world food security.

The Declaration acknowledges the role that trade and domestic production play in improving global food security and nutrition, and reaffirms the importance of not imposing export prohibitions or restrictions in a manner that is inconsistent with WTO provisions. It also recognizes the importance of food stocks in contributing to Members' domestic food security, and calls on countries with available surplus stocks to release them on international markets, consistently with WTO rules. The Declaration further emphasizes the importance of information exchange, and acknowledges the role of the Agricultural Market Information System (AMIS) in enhancing agricultural market transparency.

Lastly, the Declaration commits Members to take concrete steps to facilitate trade and improve the functioning and longterm resilience of global agrifood markets, and to initiate a dedicated work programme in the Committee on Agriculture that will consider the needs of both least developed (LDCs) and net food importing developing countries (NFIDCs).

#### Sanitary and Phytosanitary Declaration for the Twelfth WTO Ministerial Conference: responding to modern SPS challenges

In the "SPS Declaration", WTO Members recognized the critical role played by the SPS Agreement in safeguarding the right of countries to take measures necessary for the protection of human, animal or plant life or health. At the same time, they acknowledged the evolution of the global agricultural landscape since the adoption of the SPS Agreement in 1995.

In the Declaration, ministers acknowledged new opportunities and emerging challenges to the international trade in food, animals and plants – including growing population, innovation in tools and technologies, climate change, and continued application of measures that constitute a disguised restriction on international trade.

To that end, the Ministerial Conference instructed the SPS Committee to undertake a work programme to further enhance the implementation of the SPS Agreement, and identify the mechanisms available to address the current challenges and the impacts of the emerging ones.

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