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Senior Officials Meeting 23-24 October 2023

SENIOR OFFICIALS MEETING

CHAIRPERSONS' SUMMARY

<u>Chairpersons</u>: Dr. Ngozi Okonjo-Iweala – WTO Director-General and TNC Chairperson, and H.E. Dr. Athaliah Lesiba Molokomme (Botswana) – General Council Chairperson

This summary of the main points which have emerged from Senior Officials' discussions over the past two days is prepared by the Director-General and the Chairperson of the General Council as co-Chairpersons of the Senior Officials Meeting, under their own responsibility. The summary is not exhaustive but contains the main messages from the oral reports from facilitators of the breakout sessions and those made in the plenary sessions including emerging themes or common trends; the political guidance or support received from Senior Officials; and any other action taken by Senior Officials over the past two days. This is made on the understanding that Senior Officials cannot expect a verbatim report attributable to any delegation but a high-level report reflective of overall discussions in the breakout and plenary sessions.

1 DISPUTE SETTLEMENT REFORM

- 1.1. On dispute settlement reform, Senior Officials recalled the MC12 commitment "to conduct discussions with the view to having a fully and well-functioning dispute settlement system accessible to all Members by 2024".
- 1.2. Overwhelmingly, Senior Officials strongly supported the ongoing informal process on DS reform being carried out in Geneva by technical experts. They recognized the value of the process and the progress made so far in order to achieve a tangible and meaningful outcome at MC13 while cognizant of the different views expressed on the issue of the timing of the formalization of this process under the auspices of the DSB Chair.
- 1.3. In expressing their political support for DS reform work, Senior Officials indicated the following elements on the way forward: first, the need to focus on addressing the DS challenges with a sense of urgency; second, the need to take into account the dispute settlement interests of all Members; and third, the need to uphold the WTO's Member-driven nature as well as to ensure full participation, inclusiveness and transparency, including by facilitating the effective participation of developing and LDC Members taking into account capacity constraints.
- 1.4. Going forward, all Members are encouraged to actively participate in the ongoing process on DS reform with the view to achieving tangible outcomes at MC13 in line with political guidance provided by Senior Officials.

2 AGRICULTURE INCLUDING FOOD SECURITY

2.1. Regarding agriculture and food security, it was reassuring that several Senior Officials stressed the necessity of making progress in the agriculture negotiations on the basis of Article 20 of the Agreement on Agriculture and obtaining credible results on all issues of interest to Members including public stockholding for food security purposes, domestic support, market access, Special Safeguard Mechanism, cotton, export restrictions and export competition, and strengthening the agriculture

sector to respond to contemporary challenges including rural livelihoods and environmental sustainability.

- 2.2. From the Facilitator's report, the discussions yesterday demonstrated Senior Officials' strong engagement in favour of a credible food security outcome at MC13, including a commitment to agree on broad parameters to guide the negotiations post-MC13 to reach substantiative outcomes by MC14 which would strengthen the agricultural trading system. But more discussions are required on how to shape such an outcome based on the work undertaken thus far, including how to address various Members' priorities and sensitivities while ensuring a comprehensive, balanced and holistic outcome.
- 2.3. We believe that Senior Officials have provided Geneva negotiators with the political guidance essential to assist in prioritising the work between now and MC13 to achieve positive and balanced outcomes at MC13. But much more work remains to be done. We invite all Seniors Officials present as well as those who could not attend this meeting to remain engaged with their representatives in Geneva to support the CoA SS Chair in his efforts and ensure the necessary progress are made in the coming weeks towards fulfilling these objectives.

3 TRADE AND DEVELOPMENT

- 3.1. Senior Officials, convened as the General Council, adopted the Decision on the Extension of Unilateral Duty Free and Quota Free preferences in favour of countries graduated from the LDC Category (WT/L/1172). The decision demonstrated coherence between the work of the WTO and the UN to support the most vulnerable members of the international community. Members remain committed to make further progress on LDC graduation including trying to conclude on Annex 2 negotiations before MC13.
- 3.2. Senior Officials were committed to strengthening the development dimension of the WTO, including through the WTO reform process and through making S&DT fit for purpose for the 21st century. Developing country Members expressed strong need for the WTO to deliver more support and policy space for development and industrialization. Senior Officials expressed support for the ongoing process in the CTD SS and in this context noted in particular the progress made in discussions on the G90 ASPs relating to the SPS and TBT Agreements. Senior Officials expressed broad support to continue the reform discussions on development with a view to achieving concrete outcomes.
- 3.3. On next steps, discussions will continue in the CTD SS on the ten G90 ASPs in the context of the agreed process. The intention would be to make as much progress as possible by MC13, with a view to possibly having concrete outcomes on at least some ASPs. Discussions on the developmental aspects of WTO reform will continue in the CTD. Members will continue to consider what concrete outcomes may be achievable on this matter by MC13. Members will continue discussions on Annex 2 of the LDC graduation proposal, including on the clusters which build on the LDCs' work plan, with a view to exploring further outcomes on this topic before or by MC13.
- 3.4. Development is a core principle of the WTO. This is recognized by all Members. There are certainly different perspectives among Members on how the WTO should best move forward in addressing a number of key development issues, including on ensuring effective S&DT for developing countries. However, the importance of development to the work of the WTO is undeniable. We therefore urge Members to work together in a spirit of collaboration and show the necessary flexibility to make progress and achieve concrete outcomes by MC13 on development-related matters, including on S&DT and on LDC graduation, among others.

4 FISHERIES SUBSIDIES

- 4.1. Prospects remain high for two outcomes at MC13: the conclusion of the second phase of negotiations (Fish 2) and the entry into force of the Agreement on Fisheries Subsidies which are firmly on track.
- 4.2. On Fish 2, the response to the two questions were a "resounding yes" to reaffirm the MC12 commitment to complete by MC13 and to conclude text-based discussions by December. Senior Officials called for strong and effective disciplines that will meaningfully reduce subsidies contributing to overcapacity and overfishing whilst at the same time emphasizing that special and differential

treatment remains an integral part of the negotiations. There was also broad support for the draft text that the Chair circulated in September (RD/TN/RL/174) as a good basis for the text-based work going forward. We now need to work to make the necessary compromises.

4.3. Many Senior Officials announced that their domestic acceptance processes for the Agreement on Fisheries Subsidies are at an advanced stage and that they will deposit their instruments of acceptance in the near future. In the margins of the Senior Officials Meeting, nine¹ Members deposited their instruments of acceptance bringing the total number to 52 – bringing us very close to half of the number needed. There was a strong call for other Members to deposit their instruments of acceptance as soon as possible so that Agreement enters into force by MC13.

5 WTO REFORM

- 5.1. The high priority that Senior Officials attach to WTO Reform was evident. It was underscored that the work should continue to be transparent, inclusive, and Member-driven. A number of Senior Officials said that it is important that MC13 be shaped as the **WTO's first genuine Reform Ministerial** to demonstrate progress on the MC12 mandate to show that Members can address significant challenges facing the multilateral system and modernise the WTO. In this regard, the suggestion was made to aim for an MC13 outcome document that contains substantive reform outcomes. Some Senior Officials said this meeting had provided a useful template for engagement by senior officials and ministers.
- 5.2. On **institutional reform** Senior Officials were pleased to note that a significant and credible package was emerging reflecting constructive engagement to improve WTO processes and practices through reform by doing. They said these efforts should be acknowledged and blessed including by Ministers at MC13. Senior Officials also reiterated the importance of transparency and inclusiveness in these efforts and taking account of the capacity constraints of developing countries and LDCs to effectively participate in this work. In this regard, the suggestions for a dedicated portal for WTO Reform and the appointment of facilitators to assist Members in narrowing down the topics were made.
- 5.3. A number of Senior Officials also referred to the need to **engage a wider cross-section of stakeholders** including the private sector in the WTO's work. However, others said that informal engagement for knowledge sharing with external stakeholders is already undertaken through the WTO's public forum.
- 5.4. With regard to reform of the **deliberative function** Senior Officials said that the WTO should be a living and relevant institution that responds to current and future challenges. In this regard, they welcomed the momentum to launch a package of deliberative reforms at MC13 that positions the WTO to address key global trade-related challenges. In this regard, many Senior Officials said that Ministers should endorse a package that includes trade and industrial policy, trade and environmental sustainability and inclusivity, incorporating development, gender equality, MSMEs and indigenous economic empowerment, among others. This would maximise the value of Ministerial Conferences by creating space for Ministers to discuss major trade challenges and provide guidance to officials on how the WTO should respond.
- 5.5. With reference to reforming the WTO's **negotiating function**, there was a strong call by several Senior Officials for a viable path for the WTO to respond to *flexible and open multilateralism* with many Senior Officials referring to the significant progress made with the conclusion of the Investment Facilitation for Development and Services Domestic Regulation negotiations. In this regard, we heard the call to sharpen the WTO's decision-making process by exercising responsible consensus. While some Senior Officials expressed discomfort on integrating such results into the WTO's legal architecture, they expressed willingness to discuss the matter. In recognizing this willingness, we urge Members to work together in this spirit to find a mutually agreeable way forward that respects the right balance.
- 5.6. Senior Officials underscored that officials in Geneva should be empowered to make as much rulemaking progress as possible between Ministerial Conferences, and harvest outcomes when ready

¹ Macao, China; Albania; Australia; Botswana; Cuba; Côte d'Ivoire; Republic of Korea; Saint Lucia; and Fiji.

in the General Council – noting the recent decision on Annex 1 on LDC Graduation. This would help in not overloading Ministers' agenda at MC13.

5.7. We will reflect on the political guidance provided by Senior Officials on moving forward our WTO Reform work – and provide concrete suggestions forward.

6 WTO REFORM - DELIBERATIONS ON TRADE AND INDUSTRIAL POLICY

6.1. Senior Officials had a good level of engagement on deliberations on trade and industrial policy – building on the recent Informal Meeting on WTO Reform focused on this area. Some Senior Officials called for a work programme to be agreed at MC13 while others proposed that Ministers could provide relevant guidance for future deliberations post-MC13. It was also noted that the discussion was still premature to be brought before Ministers and that the exact scope of industrial policy should be defined more precisely. In this regard, a suggestion was made for these discussions to take place in existing, relevant WTO bodies and the importance of transparency and inclusiveness in such discussions was stressed. Many noted that the MC13 agenda was already full, and recalled that there were other outstanding matters, such as agriculture, which should be addressed first – as a priority for MC13. At the same time, Senior Officials expressed readiness to engage on this topic – in a meaningful, deeper, inclusive and evidence-based manner. We hope that this discussion will continue with a view to finding a mutually agreeable path forward.

7 WTO REFORM - DELIBERATIONS ON TRADE AND ENVIRONMENTAL SUSTAINABILITY

7.1. Senior Officials recognized the relevance of the trade, sustainable development and environmental sustainability interface at the WTO and the need to demonstrate that trade can be part of the solution to the climate crisis. In this regard, they recognized the urgency and relevance of the work being carried out in Geneva. They reiterated the importance of having Ministers discuss trade and environment at MC13 and to provide further guidance on the direction of future work. Many Senior Officials recalled paragraph 14 of the MC12 outcome document and highlighted the importance of "the Committee on Trade and Environment (CTE) as a standing forum dedicated to dialogue among Members on the relationship between trade measures and environmental measures". It is our hope that the work begun by Senior Officials in Geneva today will provide a platform for Ministers to discuss trade and environment when they meet at MC13 with a view to providing further political guidance.

8 E-COMMERCE WORK PROGRAMME AND MORATORIUM

8.1. Many Senior Officials identified the E-commerce Work Programme and Moratorium as an important issue for MC13. Overall, Senior Officials welcomed the work done since MC12 under the facilitator-led process. In their view, the Work Programme has been reinvigorated as per the MC12 Decision. The dedicated discussions has allowed Members to share experiences and challenges faced on a wide range of topics. Senior Officials stressed the need to continue this work and to focus on the development dimension. A large number of Senior Officials noted the need for increased support to developing countries and LDCs so as to bridge the digital divide. On the moratorium, while many Senior Officials supported at least its extension at MC13, others considered that it should be lifted. Some called for more evidence-based discussions and further analysis on its scope, definition, and impact. In parallel, the WTO is working with other international organizations – UNCTAD, the IMF, the OECD, and the World Bank – to gather evidence from all sides to inform the discussions.

9 MC12 DECISION ON THE TRIPS AGREEMENT

9.1. On the MC12 Decision on the TRIPS Agreement, several Senior Officials called on Members to agree on Paragraph 8 concerning the decision's extension to diagnostics and therapeutics. In highlighting the need to decide on an outcome before MC13, they noted that such an extension would stimulate industrial production needed to timely address health crises. They further noted that intellectual property rights (IPRs) should not constitute as a barrier to achieve equitable and timely access to all these tools during pandemics. Others however highlighted that IP protection was crucial for stimulating innovation, investment, industrial partnerships and technology transfer – to increase and diversify production and achieve Members' collective goal in this regard. As Senior Officials expressed willingness to continue engaging on these discussions, we urge all Members to

work together to find a mutually agreeable solution soon especially given the importance of this matter

10 EMERGENCY RESPONSE

10.1. Some Senior Officials stressed the need to find timely solutions to help Members more effectively face global pandemics, public health crisis, food security crisis, and debt crisis, among others including by setting up trigger-ready mechanisms for temporary and timely response. Some Senior Officials referred to Pandemic Response and Preparedness and the need to continue work in this regard – building on the MC12 Declaration on WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics.

11 LDCS, LLDCS, NFIDCS, SIDS AND SVES

11.1. As the Membership prepares for MC13, Senior Officials underscored the need to bear in mind the particular situation of LDCs, landlocked developing countries (LLDCs), small island developing states (SIDS), small vulnerable economies (SVEs) and net-food importing developing countries (NFIDCs). Specifically on the Work Programme on Small Economies, Senior Officials welcomed the work carried out in this regard including the preparations for a Ministerial Decision for adoption at MC13.

12 SPS MATTERS

12.1. Senior Officials recognized the progress in preparing an outcome document of the SPS Declaration Work Programme in line with the Sanitary and Phytosanitary Declaration for the Twelfth WTO Ministerial Conference: Responding to Modern SPS Challenges. They encouraged delegations in Geneva to continue to work together so that the recommendations therein would be ready for Ministerial consideration at MC13. On other SPS matters, a call was made to ensure that SPS measures were science-based.

13 GLOBAL INDUSTRIAL AND SUPPLY CHAINS

13.1. Some Senior Officials referred to the need to address challenges experienced in global industrial and supply chains. In particular, it was noted that challenges posed by supply chain disruptions due to global trade fragmentation have affected food security and the lives and livelihoods of people across the globe – especially the most vulnerable. Reference was likewise made to a proposed MC13 Declaration on this matter.

14 ACCESSIONS

14.1. Senior Officials underscored the importance of facilitating the conclusion of ongoing accessions especially of acceding LDCs in line with Paragraph 6 of the MC12 Outcome Document. In particular, several of them welcomed the significant progress made in the Working Parties on the Accessions of Comoros and Timor-Leste and expressed their desire for these processes to conclude in time for MC13.

We wish to thank all Senior Officials for their constructive engagement throughout the Senior Officials Meeting. We commend H.E. Mr. Mustafa Tuzcu (Türkiye); H.E. Mr. Martin Eyjolfsson (Iceland); H.E. Dr. José R. Sánchez-Fung (Dominican Republic); H.E. Mr. Andreas Motzfeldt Kravik (Norway); H.E. Ms. Ng Bee Kim (Singapore); H.E. Mr. Henry Tunupopo (Samoa) and H.E. Mrs. Nella Pepe TAVITA – LEVY (Samoa) for facilitating the breakout sessions at the Senior Officials Meeting.