

IPC Alert

International
Food & Agricultural Trade
Policy Council



December 19, 2011

IPC STATEMENT ON THE OUTCOME OF THE WTO MINISTERIAL

“Of course, IPC members would have liked to see the Doha Round wrapped up by now, given in particular the urgent need for further reforms to what is still a very distorted agricultural trade system,” admits IPC Chair Carlo Trojan, “but it is also important to acknowledge that the negotiations have been deadlocked, as was confirmed at this ministerial.”

IPC members applaud the LDC related commitments made by ministers in Geneva and commend their re-emphasizing the importance of development. We also welcome the pending entry of three new members, including Russia, into the WTO and the improvements agreed to the plurilateral General Procurement Agreement. A renewed focus on the WTO’s role in oversight and transparency through improved monitoring and reporting is another very important outcome of this ministerial, in particular for the Committee on Agriculture and the SPS Committee. Even as the negotiations have not been concluded, both the WTO’s oversight and dispute settlement functions play an extremely valuable role in the international trading system.

We support Director General Lamy’s call for a panel of multi-stakeholders to focus on the international trading system and stand ready to assist with such an exercise. The global food system is indeed different than it was when the Uruguay Round Agreement on Agriculture was concluded in 1995, or when the Doha Round was launched in 2002. The aims set forth in the agricultural modalities of the Doha Round are still valid, and given the ongoing sensitivities over agricultural liberalization, a multilateral approach – which offers countries trade-offs outside of agriculture – remains optimal for further reforms in the international food and agricultural trade system. But the present impasse presents a good opportunity to consider whether and how negotiations should address a number of new developments we have witnessed in the past several years, such as:

- There has been a fundamental shift from a supply to a demand driven global food system, and worries about the impacts of surpluses have given way to concerns about scarcities and the affordability of food for the poor.
- Importing countries are looking for greater supply availability assurances.
- Ever more global supply chains face new types of constraints and require that more emphasis be placed on trade facilitation and on addressing behind the border regulatory issues.

- Countries are concluding ever more bilateral and regional trade agreements, with varying degrees of coverage of the food and agricultural sector.
- A growing share of agricultural feed-stocks is used for non food purposes under a range of government mandates and subsidies.
- The growing economic and political power of emerging economies may well justify a more differentiated look at special and differential treatment provisions.
- Standards imposed both by governments and private entities indicate a growing emphasis on how food and agricultural products have been produced and processed, in particular whether they meet certain environmental sustainability tests.

See IPC's Position Paper **Doha and Beyond: Continuing the Reform of the International Trade System for Food and Agricultural Products** at <http://www.agritrade.org/Publications/DohaandBeyond.html>.

For more information, please contact Program and Communication Manager Katharine Shaw at shaw@agritrade.org or +1 202-328-5117.

About IPC

The International Food & Agricultural Trade Policy Council promotes the role of trade in creating a more open, equitable, productive and sustainable global food & agricultural system. IPC makes pragmatic trade policy recommendations to help solve the major challenges facing the global food & agricultural system in the 21st century—the need to promote global food security, to sustainably increase productivity, and to contribute to economic growth and development.

IPC convenes influential policymakers, agribusiness executives, farm and civil society leaders, and academics from around the world in order to clarify complex issues, foster broad stakeholder participation in policy deliberations, and build consensus around pragmatic policy recommendations. More information about the organization and its membership can be found on our website: www.agritrade.org.