

All must work collectively for effective multilateral trading system: Hon'ble Union Minister of Commerce and Industry

The Hon'ble Union Commerce & Industry and Railways Minister, Shri Piyush Goyal participated in an Informal Ministerial Gathering in Davos last week. During his intervention at the Gathering, he said that the current challenges throw up some key priorities for MC12 (The Twelfth Ministerial Conference will take place from 8th-11th June 2020 in Nur-Sultan, Kazakhstan), including WTO reform. He said that on the Appellate Body, India believes, that all must work collectively to achieve the vision of the founding fathers, for an effective multilateral trading system. The early restoration of the full strength of the Appellate Body, will contribute to the realization of that objective he added.

Further, the agenda for WTO reforms should be balanced and inclusive, to address the historic asymmetries in the Uruguay Round Agreements, he said. A good starting point for the reform agenda, would be removing the imbalances in the Agreement on Agriculture, and ensuring a level playing field, particularly for developing economies, he added. He further said that as long-standing proponents of WTO reform, developing countries have, for almost 20 years, sought the elimination of unequal and trade-distorting entitlements in the Agreement on Agriculture.

Another positive step will be, to build upon the work of the last several years, and to implement existing mandates such as a permanent solution for public stock holding for food security purposes, he suggested. He further said that this will help in enhancing the trust of developing countries, in the WTO's negotiating arm.

The Hon'ble Union Commerce and Industry Minister also said that Developing countries, particularly the Least Developing Countries (LDCs), have not been able to achieve an equitable share in world trade, therefore, the continued availability of special and differential treatment, for these countries, is imperative for them to address their development aspirations. The reform process should not be used, to further restrict the flexibilities, and policy space required by developing countries, to better integrate with the global trading system, he added. He further said that it should open more opportunities for them, taking into account the

contrasting levels of prosperity, unequal levels of economic development, and vast disparity in human development indicators, so that global trade becomes sustainable.

He underlined that a significant outcome at MC12 is essential, for further strengthening the role of the WTO in global trade. He stated that he is confident that in the run-up to MC12, India's Missions in Geneva will do the necessary spadework, to help Ministers arrive at a consensus, and reach a meaningful outcome at Nur-Sultan. To achieve this, he added that, it is necessary to put in place a structured process that will help finalize a limited list of focussed, do-able and fair proposals, that may be concluded at MC12.

He also addressed India's concerns about fisheries subsidies to be adopted at MC12. Unregulated industrial fishing by some nations, has led to a major depletion of the global marine stock and there is an urgent need for strong disciplines to regulate harmful fisheries subsidies in order to ensure the sustainable use of marine resources for securing inter-generational equity. At the same time, he cautioned that, countries need to be cognizant of the existence of a large population of subsistence and artisanal fishermen in LDCs and developing countries who rely on fishing for their basic livelihood.

He urged that as they have no other livelihood options, all nations must collectively care for this vulnerable population of marginalised fishermen. This is precisely why both SDG 14.6 and the MC11 decision on fisheries, clearly mandate that there should be appropriate and effective Special & Differential treatment for developing countries. This could be the basis for a forward looking outcome on fisheries subsidies, he added. Adequate policy space, to ensure a decent standard of living for subsistence-level fishermen, by modernizing their fishing fleet and expanding their fishing capacity, is a critical outcome for India, he said.

The Hon'ble Union Commerce and Industry Minister in his intervention also said that as an overall objective, the WTO must ensure transparency and fair practices in global trade, to ensure that our mutual economic engagement results in growth and prosperity for all.

In conclusion, he reiterated and re-assured all members that India remains a staunch supporter of the rules-based, multilateral, trading system, and will actively engage with members, to address the challenges before the WTO.

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