



DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
KAGAWARAN NG KAPALIGIRAN AT LIKAS YAMAN



MEMORANDUM

FOR : **The Directors**
Climate Change Service
Legal Affairs Service
Biodiversity Management Bureau
Ecosystems Research and Development Bureau
Environmental Management Bureau
Forest Management Bureau
Mines and Geosciences Bureau
Foreign-Assisted and Special Projects Service
National Water Resources Board

FROM : **The Director**
Policy and Planning Service

SUBJECT : **ENVIRONMENT-RELATED ISSUES RAISED DURING THE
GENERAL COUNCIL MEETING HELD LAST 13-15 DECEMBER
2023**

DATE : **11 JAN 2024**

This has reference to the letter dated 03 January 2023 from the Department of Trade and Industry, transmitting the report on the outcomes of the General Council Meeting report provided by the Philippine Permanent Mission to WTO (PM-WTO). In preparation for the MC13 and the push to include Environmental Sustainability in the MC13 outcome document, please be informed that DTI is requesting the DENR's comments on environment-related issues raised during the meeting.

In this regard, we would like to request your comments/official position on the environmental – related issues below.

Agenda Item	Highlights
16. The Contribution of the Multilateral Trading System to Sustainable and Resilient Agriculture and Food Systems – Statement by the Cairns Group	Australia, on behalf of the Cairns Group, presented the Cairns Group Statement on how the multilateral trading system can contribute to sustainable and resilient agriculture and food systems. The Cairns Group acknowledged that there is “no one size fits all approach to sustainable agriculture” but emphasized that agricultural import measures put in place in the name of environmental sustainability should not be unnecessarily trade restrictive and must be science-based.

	<p>The EU noted the COP28 Declaration on Sustainable Agriculture, Resilient Food Systems, and Climate Action and agreed that autonomous trade measures must be developed in a way that achieves environmental objectives, minimizes impact on trade, and can only be done through transparency and dialogue with trading partners. The EU expressed readiness to share its experience in designing sustainable and resilient agricultural policies based on non-trade distortive green box compliant measures.</p> <p>The Philippines has co-sponsored the Cairns Group sustainability statement and supports the inclusion of these elements as part of a food security outcome at MC13.</p>
<p>17. European Union Regulation on Supply Chains Free from Deforestation and Forest Degradation</p>	<p>In light of the recent EU Regulation "on the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation and repealing Regulation (EU) No 995/2010"</p> <p>Honduras, on behalf of a group of Latin American countries, reaffirmed their collective commitment to environmental principles, including addressing deforestation and forest degradation. The group expressed concern with the EU's deforestation regulation and urged the EU to revise its unilateral environmental regulations which places responsibility on countries less responsible for environmental degradation and will have a marginal environmental impact. They called for multilateral engagement and a cooperative approach, moving away from the reactionary and non-consultative methods used by the EU in the past.</p> <p>India also welcomed the proposal and noted that similar concerns were voiced in its joint submission with South Africa to the Committee on Trade and Environment (CTE), particularly on how environment-related trade measures exclude from their design the established principles of global environmental law such as common but differentiated responsibilities and respective capabilities (CBDR-RC) and nationally determined contributions (NDCs).</p> <p>Several members also supported the co-sponsorship, including China, Canada, United States, Thailand, Malaysia, Indonesia, Nepal, Samoa, Russian Federation, Africa Group, ACP Group, and LDC Group, including on the benchmarking system and traceability requirements. Norway was the sole member to support the EU in stating that it viewed the EU deforestation regulation as an</p>

	important contribution to the reduction of deforestation and forest degradation by shifting demand side behavior.
<p>19. Enhancing Multilateral Deliberative Function on Environment-Related Measures and Fostering Sustainable Development</p>	<p>This item was newly introduced by China and Columbia.</p> <p>China called for political commitment to multilateral cooperative approaches to address global environmental challenges, including reiterating the principle that among measures taken to combat climate change, unilateral ones should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade. China also recommended setting up a multilateral mechanism, such as a standing item on the CTE agenda, for enhancing multilateral deliberative functions on transparency, policy design, environmental effects, market access impact particularly on developing countries, and identification of trade policy tools such as trade liberalization of environmental goods and services, green supply chains, and technology transfer.</p> <p>Columbia called for the WTO framework to adapt to multilateral environment agreements.</p> <p>Brazil noted that the CTE should be harnessed as a multilateral and collaborative platform and should examine the interplay between trade and environmental laws as well as enhance monitoring of trade measures used for environmental objectives and environmental measures that have a trade impact.</p> <p>During the meeting, the PM-WTO noted the developments at COP28 and the importance of ensuring complementarity between the WTO and other multilateral processes, as well as recognizing that measures taken to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination, or disguise restriction on international trade.</p>

We would appreciate receiving your comments **on or before 15 January 2023** through the following email addresses: psddivision@gmail.com and policy@denr.gov.ph. Enclosed for your reference is the report provided by the PM-WTO, you may also access the same using this link: <http://tinyurl.com/bdff684u>.

For your appropriate action, please.


CHERYL LOISE T. LEAL

cc: The Undersecretary for Policy, Planning and International Affairs



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For your appropriate action, please.


CHERYL LOISE T. LEAL
Jan 28

cc: The Undersecretary for Policy, Planning and International Affairs

To : SFA
Fr : Geneva WTO
Re : **General Council Meeting, 13-15 December 2023**
Rt : OUMAIER, OIER
Cc : Secretary of Trade and Industry
Secretary of Agriculture
Director General of the National Economic Development Authority
Secretary of Environment and Natural Resources
Chair of The Technical Committee on WTO Matters (TCWM)
Dt : 19 December 2023
Cn : ZWTO-412-2023
Pg : 34 including this page

Mission would like to inform the Department and TCWM that Ambassador Athaliah Molokomme of Botswana, the Chair of the WTO General Council (GC), convened the last GC meeting of 2023 on 13-15 December 2023. The annotated agenda of the meeting is attached as *Annex A* and the Philippine statements are attached as *Annex B*. The following are the highlights of the meeting:

1. Report by the Chairperson of the Trade Negotiations Committee and Report by the Director-General

DG Ngozi took the opportunity to thank the delegations of the United Kingdom, Chile and Gambia for their recent ratifications the Fisheries Subsidies Agreement (FSA) and noted that Barbados was on the verge of its domestic acceptance.

2. Thirteenth Session of the Ministerial Conference (MC13)

The Chair of MC13, UAE Minister of State for Foreign Dr. Thani Bin Ahmed Al Zeyoudi, was present at the General Council to update the membership on UAE's work in delivering a successful outcome for the Ministerial. He noted that the mini-Ministerials that were held on 28 November and 11 December 2023 were characterized by the reiteration of long-held (and oftentimes extreme) positions, where most Ministers read from prepared statements. Minister Thani al Zeyoudi lamented that Ministers were sticking to process and not substance. He called on the membership to shift gears to focus on concrete outcomes. He further noted that COP28 had successfully concluded following two (2) weeks of negotiations on very complex topics, and in his estimation, trade issues are much less complex. The UAE Minister called for more engagement with the private sector. His recent discussions with business representatives had shown that the private sector is not aware of what is happening at MC13 and has been unable to provide its inputs and perspectives on the potential outcomes. Lastly, UAE communicated that it had no plans to organize another mini-ministerial.

MC13 will definitely take place from 26-29 February 2024 and there is no plan yet for a Senior Officials' Meeting (SOM). The UAE and WTO DG assured that they would continue to examine the best modalities for MC13 that would ensure inclusiveness and transparency. WTO Director General Okonjo-Iweala recalled that the modalities for the last Ministerial Conference were only circulated three (3) weeks prior to MC12. She noted that the structure and agenda of MC13 would be dependent on the state of play of discussions and negotiations and expected that the MC13 modalities would be circulated in early February 2024.

The General Council endorsed the appointment of the following Vice Chairpersons for MC13, representing the other groupings:



- H.E. Mr. Luc Magloire Mbarga Atangana (Cameroon) [Africa];
- H.E. Mr. Jorge Rivera Staff (Panama) [GRULAC]; and
- Hon. Mr. Todd McClay (New Zealand) [Developed].

The General Council also agreed to accept Palestine as an Observer to MC13 on an *ad hoc* basis.

3. Follow-Up to Outcomes of Ministerial Conferences

3A. MC12

(i) WTO Reform – “Reform by Doing” (JOB/GC/359/Rev.2)

The GC Chair noted that the GC continues to monitor progress on “reform by doing” and invited members to refer to the WTO Secretariat-produced state of play (JOB/GC/359/Rev.2). The GC noted the report of the Council for Trade in Goods (CTG), which captures 127 reforms that have been undertaken by the CTG or its subsidiary bodies, as well as reports of the Council for Trade in Services (CTS) and TRIPS Council. The GC Chair noted that there would likely be a paragraph on WTO reform in the MC13 Outcome Document/Declaration that would reaffirm the MC’s support for “reform by doing” and work undertaken, acknowledge the reform retreats, and recognize the need to deepen and focus dialogue to improve the understanding of issues (i.e. emerging issues such as trade and industrial policy). The GC Chair also recalled that members continue to attach high priority to dispute settlement reform through the informal process.

The Chair also noted that the Food Security Work Program under the Committee for Agriculture’s Working Group had not adopted its draft report. The Working Group has engaged in substantive discussions covering various themes, such as border measures, including both import and export restrictions, financing matters, production resilience, and fostering collaboration with international organizations. The GC was informed that the WG Chair was ready to convene a special meeting to finalize the report.

A wide cross-section of members from both the developed and developing groups welcomed the work that has been undertaken through “reform by doing”, with even India recalling its “30 for 30” proposal could be expanded to a “300 by 30” objective. However, the LDC Group, ACP Group, OECS, and Caricom expressed continued reservations about aspects of the “reform by doing” process and cautioned against any operational changes that would further strain their limited capacities. The Groups called for continued oversight of the General Council on reform matters, with the ACP Group recommending that decisions requiring adoption should be presented to the General Council. The EU and Switzerland reiterated the need to launch or strengthen dedicated dialogues on trade and industrial policy, inclusiveness and sustainability. The U.S. did not know how the General Council could address some of the issues that have been lacking on “reform by doing”, when many of the changes have been done to promote inclusivity. The U.S. Ambassador did not think bringing the “conversation” into the GC would help matters and encouraged committees to continue pursuing improvements.

(ii) Ministerial Declaration on the WTO Response to the Covid-19 Pandemic and Pandemic Preparedness for Future Pandemics (G/L/1521)

(iii) Paragraph 8 of the Ministerial Decision on the TRIPS Agreement – Duration of the Extended Deadline

The GC welcomed the reports related to the Ministerial Declaration on the Covid-19 pandemic and pandemic preparedness. The CTG Chair noted that in the context of pandemic preparedness, the CTG has considered lessons learned in improving coordination, enhancing transparency and experience sharing at the WTO, improving data collection and the role of digitization, and identification of “essential goods.”

The GC noted that within the TRIPS Council, members continued discussing the MC12 Decision that mandates that no later than six months from the date of the Decision, members will decide on an extension to cover the production and supply of COVID-19 diagnostics and therapeutics. The TRIPS Council Chair noted that since July 2023, discussions on paragraph 8 of the TRIPS Council have continued at the formal TRIPS Council meetings (30-31 October 2023), informal TRIPS Council meeting (29 November 2023), and thematic sessions involving external stakeholders on 28 September 2023, which included more than 20 experts from international organizations, civil society, private sector, academe and data science organizations. She noted that one member (Switzerland) continued to hold that there is no basis to the extension since the member saw no evidence of IP-related barriers and given that the pandemic is largely over. Switzerland has suggested that focus be placed on a forward-looking work program on pandemic preparedness. On the opposite side, the proponents have sought a “yes/no” General Council decision to the extension. She also briefed that there has been no decision on the extension of the moratorium on TRIPS Non-Violation and Situation Complaints (NVSC), where there continues to be disagreement about scope and modalities for such complaints.

South Africa and India noted that they had agreed to include the extension period as a “good faith” concession but more than 1.5 years have lapsed. The proponents chided those members who have continuously employed delay tactics in considering the extension. South Africa noted despite representing only 16% of the global population, high income countries acquired more than 70% of therapeutic supplies of Covid medicines. The Ambassador further cited data that shows that high-risk individuals in developing countries exceeded the procured supply of Paxlovid by 8 million courses in 2022. The LDC Group, Africa Group, OECS, ACP Group, Brazil, Egypt, and Indonesia continued to support the extension. The EU, China and United States called for continued constructive dialogue in the TRIPS Council, with the U.S. noting the U.S. International Trade Commission (ITC) report could continue to inform discussions.

The United Kingdom noted the lack of consensus on this issue and observed that “we do need to think carefully through the value of extending something that hasn't appeared to help as much as we had hoped on the ground.” The UK agreed there was a need for a broader conversation on longer-term initiatives to increase access to medicines and welcomed continued engagement, including on its Communication on voluntary licensing and technology transfer. Switzerland echoed this sentiment and noted that there has been a surplus of products and manufacturing capacity related to Covid-19. The Swiss Ambassador noted that the extension is “neither necessary nor useful and risks to be counterproductive.” Switzerland remained opened to discussing concerns of how to stimulate geographically more diversified manufacturing of pandemic related health products as well as the geographical limitation and criteria for certain voluntary licenses granted in the context of the pandemic.

The WTO Director-General called for a clear decision on the TRIPS waiver extension while noting the positive work that is ongoing on voluntary licensing and WTO-WHO-WIPO technical assistance being extended to some developing countries in assessing their legislative frameworks and in pursuing changes to legislation that would maximize flexibilities and improve the operationalization of compulsory licensing.

(iv) Work Programme on Electronic Commerce

The Facilitator, Ambassador Canabady of Mauritius, reported that since November, two dedicated sessions focusing on the moratorium on customs duties on electronic transmissions were held. The group discussed the joint report by IMF, OECD, UNCTAD, and World Bank on Digital Trade for Development which had not yet been launched at the time of the November meeting. It has since then been officially launched during the e-Week of UNCTAD and is now available on the WTO website. During the December meeting, Members began considering text-based proposals for a draft ministerial decision. Three submissions that were considered included (i) WT/GC/W/909 from Canada, Switzerland and 20 other co-sponsors, (ii) WT/GC/W/911 from South Africa, and (iii) WT/GC/W/916 from the ACP group. While there are commonalities, such as acknowledging the progress made, emphasizing the development dimension, and working with IGOs, differences persist, particularly on the moratorium as well as on the reporting structure. Two proposals are recommending an extension of the moratorium to MC 14 (Canada et al., and ACP Group), and one calling for termination at MC 13 (South Africa). Ambassador Canabady called for further comments on the draft proposals and mentioned plans to hold consultations in mid-January and convene a meeting on 25 January 2023 to find a consensus language for the Ministerial Decision.

Proponents of the three draft decisions presented their proposals, while a number of Members voiced their support to the moratorium with several called for continued discussions on the scope, definitions, and impact of the moratorium. South Africa also presented its communication entitled Challenges for Digital Industrialization in Developing Countries under document WT/GC/W/910. South Africa's market inquiry showed that the dominance of global tech firms and their market conduct practices undermine economic diversification, inclusive supply chains, and growth of MSMEs and digital startups. On the moratorium, South Africa has posed "questions to proponents and these by and large returned a blank", specifically on scope and definition, the extent of online imports, the substantive basis for discrimination between digital products and physical products, and limitations on digital industrialization. Indonesia urged members to uphold the policy space and flexibility required for the implementation of customs duties on electronic transmissions and therefore called for the "definitive end of the moratorium" to level the playing field for Members, for the Ministers to have a proper deliberation on this topic at MC13.

India expressed disappointment "that the proponents of 909 have once again taken it for granted that without evidence, Ministers will be able to take a decision by simple writing two paragraphs for the extension", with the current global landscape of e-commerce dominated by a few firms based in developed countries, and with most developing countries as net importers of digital products. India noted that MSMEs face considerable challenges which have been borne out in South Africa's paper and the recent high-profile anti-trust case (i.e. Epic Games vs. Google). India observed that there is no clear information on who is gaining from the moratorium, developed countries continue to hide behind limited studies, and therefore, there was a need to question continuing this practice since customs duties have traditionally been used to level the playing field and limit the inflow of imports in response to balance of payments difficulties. Lastly, Ambassador Brajendra recalled that the LDCs had to negotiate hard for duty free and quota free (DFQF) access and the membership "should not give Big Tech an easy out on the same DFQF treatment."

Switzerland, on behalf of the 911 proponents, noted convergence with the 916 proposal and highlighted that their proposal would select set of specific trade related issues for in-depth focus. Switzerland further voiced support for the moratorium, with a substantial body of evidence showing that the moratorium benefits all businesses and particularly MSMEs. The Swiss Ambassador stated that “we strongly believe that the lapse of the moratorium will degrade the international regulatory framework for digital trade, thereby causing significant uncertainty and unpredictability to the global economy given an increasing proportion of trade is digital.” The African Group noted the continued divergences on scope and definition and believed that the renewal of the moratorium should not be automatic while the LDC Group sought specific technical support in assessing the impact of the moratorium on their economies.

Samoa, on behalf of the ACP Group, noted that developing members are strategically developing the needed legislation in order to facilitate e-commerce growth, build infrastructure and skills, payment systems and consumer protection frameworks. The ACP submission does support the moratorium’s extension but also explores the question of the moratorium, investigating the treatment of software and content for tariff purposes during their transformation into digital form. Fiji, on behalf of the Pacific Group, supported the ACP Group proposal and South Africa’s recommendation to establish a voluntary fund for targeted support in bridging the digital divide. Brazil supported deepening discussions on areas identified by developing countries and LDCs, such as on transfer of technology, competition, and consumer protection.

The Philippines, in our statement, emphasized the value of creating and maintaining stable and predictable rules and disciplines for the digital trading environment. The Philippines expressed support for the core elements of the draft Ministerial Decisions contained in 909 and 916 proposals. Japan, Thailand, Nigeria, Kazakhstan, Malaysia and China also supported the moratorium’s extension, with China stressing that the Ministerial Decision should include: 1. commitment to intensify post-MC13 work particularly on the development dimension, 2. extension of the moratorium to MC14, and 3. members should further discuss scope, definition and impact of moratorium. The EU welcomed intensified engagement on digital trade and development issues and called for the extension of the Work Programme and moratorium at MC13. The EU noted clear support from more than 100 members at the dedicated sessions, with evidence showing that benefits outweigh foregone customs revenue. The EU welcomed common elements in the ACP Group proposal and recalled that the moratorium does not prevent domestic policy space to raise revenue through internal taxes.

DG Ngozi noted that while “tough positions” continue to be shown, she noted a noticeable change in tone and hoped that members could achieve a compromise. She further noted that in terms of narrowing the digital divide the WTO is working with the World Bank on a pilot program in Africa, where the WTO is supporting the development of “soft” infrastructure in Kenya, Rwanda, Cote d'Ivoire, Benin, Ghana, Togo, Nigeria, and Mauritius. She hoped this initiative could be extended to Latin America and the Pacific in the near future.

3B. Buenos Aires (MC11), Nairobi (MC10), and Bali (MC9) (G/RO/99)

The Chair noted some developments related to the previous MC outcomes, including the LDC Group’s submission to the CTS on enhancing the operationalization of the LDC Services waiver, detailed report of the Committee of Rules of Origin on the preferential rules of origin for LDCs, as well as the monitoring and evaluation mechanism for the Aid-for-Trade Work Program through the self-assessment questionnaire, whose deadline has been extended to 5 January 2024, and which would contribute to the Global Review on Aid for Trade scheduled for the week 24 June

2024. The Director-General noted, that to date, the WTO Secretariat has received 61 total responses, 24 of which are from developing countries and 20 LDCs, 15 bilateral and multilateral donors, and 2 South-South partners. A call for thematic session proposals will be launched in January 2024 along the Global Review's core theme of "Mainstreaming Trade" and integrating trade perspectives in development, particularly in the context of the pivot to sustainability.

India continued to emphasize the importance of fulfilling the previous mandates in Bali and Nairobi, particularly on the permanent solution to public stockholding for food security purposes (PSH) and given that food security is a non-trade concern. India further recalled the permanent solution was to be achieved on a fast-track basis and de-linked from the CoA-SS process at MC11. India stated that the longer it will take to deliver on PSH, the longer it will take to pursue agricultural negotiations. The Ambassador once again emphasized that the credibility of WTO is at risk if it does not deliver on mandated issues and called again for the WTO Secretariat to compile all outstanding decisions from Ministerial Conferences.

4. Work Programme on Small Economies (WT/COMTD/SE/12)

The Chairperson of the Committee on Trade and Development (CTD) noted the CTD in dedicated session had produced WT/COMTD/SE/W/46/Rev. 2, which provides a draft Ministerial Decision on the future Work Programme of the Small Economies. The draft Decision takes note of the work that has been conducted, calls for cooperation with international organization, and identifies for future priority work the following three (3) issues:

1. Challenges and opportunities for small economies in using e-commerce and digital ecosystem to drive competitiveness;
2. Addressing the importance of resilient, accessible, open, reliable and transparent supply chains for small economies given food security issues, and the impact of non-tariff measures on trade costs; and
3. Exploring with other relevant WTO bodies how to integrate trade related climate change adaptation and mitigation policies into the trade policies of small economies.

The draft Decision received strong support from the Small and Vulnerable Economy (SVE) Group represented by Guatemala, OECS, Caricom, and ACP Groups. Barbados, on behalf of Caricom, recommended that the CTD be utilized to develop concrete proposals that could be considered by other WTO bodies.

5. Development Assistance Aspects of Cotton – Periodic Report by the Director-General (WT/GC/260 – WT/CFMC/DG/10 – WT/MIN(24)/1)

DG Ngozi briefed the GC on the status of the USD 355 million development cooperation-related activities of the Cotton-4 and Cote d'Ivoire, including cooperation through the Common Fund for Commodities, FAO, International Cotton Advisory Committee, ITC, UNCTAD, and UNIDO. She also noted that the World Cotton Day has been leveraged by the C4, LDCs and other developing countries to highlight the importance of the cotton sector in achieving the SDGs and in enhancing sustainability in apparel value chains. DG Ngozi also stressed urgent need to find solutions to distorted cotton markets resulting from domestic support, price volatility, pest issues in Western and Central Africa, and investment in sustainable local processing and value addition. She highlighted the recent successful collaboration with FIFA to integrate the C-4 into global value chains related to the USD 270 billion global sports apparel industry. FIFA cooperation is focused on undertaking a baseline study as well as integrating work into FIFA's Football for Schools (4FS) program in Africa.

China and Brazil spoke about their work in South-South cooperation and China recommended the creation of a cotton development assistance platform. Other delegations including the Cotton-4, African Group, and Paraguay spoke on the high concentration of subsidies in the cotton sector for a small number of countries and emphasized the importance of including cotton as part of market access negotiations in agriculture.

6. TRIPS Council Matters

The TRIPS Council Chair briefed the General Council Chair on the Annual Review of the Special Compulsory Licensing System, which was discussed at length in the TRIPS Council. The TRIPS Council Chair also noted that while the Protocol Amending the TRIPS Agreement entered into force on 23 January 2017, the TRIPS Council has submitted a draft Decision ((IP/C/96) to the General Council to extend for the ninth time the period of acceptance until 31 December 2025 or as may be decided by the Ministerial Conference. The General Council took note of the report and agreed to adopt the Decision to extend the period of acceptance to 2025.

Colombia, which has been very vocal on the Special Compulsory Licensing (SCL) system in the TRIPS Council, was the only delegation who took the floor. Colombia noted that the flexibilities contained in Article 31bis. are impractical and have made the SCL system unfeasible, particularly Article 31.f. and its impact on net importing developing or “sandwich countries” that are restricted by their small markets and must import medicines. Colombia called for an overhaul of the SCL system from the ground up.

7. Committee on Budget, Finance and Administration (CBFA) – Report on Meetings of 17 October and 22 November 2023 (WT/BFA/216 and WT/BFA/217)

The CBFA Chair, Ambassador Waldmann of Germany, updated the General Council on discussions related to the 2024 and 2025 budget proposal and the disposition of the budget surplus from 2021. She noted that members had endorsed the first increase from nominal zero growth over the last 12 years, which includes a 3.6% increase for the 2024 period to CHF 204,928,900 as well as support to the ITC budget (CHF 18,986,250) and predictable sourcing of funds for technical assistance. And with respect to the CHF 6 million surplus, members agreed to return CHF 4 million to members and utilize CHF 2 million for non-recurring expenses. The proposed additional 0.9% increase for 2025 would be put aside until a Mid-Term Review is undertaken in 2024. The CBFA Chair noted that while there is strong support for closing the funding gap of the Pension Fund, three members felt there was a need to further study the recommendations of the WTO Pension Management Board, which include short-term measures to close the funding gap and the establishment of a Working Group to examine comprehensive pension reform.

9. LDC Graduation – Report by the Chairperson of the Committee on Trade and Development (CTD) to the General Council (WT/COMTD/LDC/30)

Ambassador Sanchez Fung of the Dominican Republic and Chair of the CTD noted that LDC Subcommittee discussions had advanced since September 2023, including 5 informal meetings and 1 small group consultation, which covered 17 special and differential treatment (SDT) provisions identified by the LDCs in Annex 2 and contained in WT/COMTD/LDC/30. The discussions, with the WTO Secretariat providing factual presentations, facilitated exchanges, and understanding of specific provisions in WTO agreements and decisions relevant to LDCs. These were taken up in clusters and there was a good exchange on topics such as market access, subsidies and intellectual property.

Ambassador Sánchez-Fung noted that Members engaged positively and constructively, covering significant ground in discussions. However, further discussion is deemed necessary to understand the specific challenges faced by graduating LDCs and to explore support avenues. In his report, the Chair also asked the General Council for more time to examine the provisions of Annex 2 thoroughly to make recommendations for a smooth transition for graduating LDCs, including technical assistance. He also highlighted that while some progress has been made, particularly on Annex 1 during the Senior Officials Meeting in October, he recommended to use the time before MC 13 to make further progress on Annex 2 for Ministers' consideration.

Djibouti, on behalf of the LDCs, noted that the Annex 1 GC decision had addressed several of the market access related issues identified in Annex 2. The LDC group was ready to review the list of provisions in Annex 2, with a view to reducing those provisions and called for members to first agree on the principle of a transition period applicable to Annex 2 for a fixed number of years. In addition to the LDCs, there was broad support from members, including Egypt, China, Norway, Brazil, Nigeria, United Kingdom, India and Indonesia in delivering an outcome on Annex 2. To facilitate movement, Norway proposed that members consider bridging language for a “peace clause” for LDC graduating members. Nepal, for its part, noted that it was in a unique situation where it was graduating from LDC category without meeting the gross national income (GNI) per capita threshold so a smooth graduation remained critically important for it and other LDCs in dealing with the adverse impacts of climate change, natural disasters, inflation, and currency depreciation.

The EU and U.S., while voicing support for LDC graduation, maintained their positions against a “one size fits all approach” and wanted a process that would require individual LDCs to justify their requests based on needs and evidence for the requested flexibilities.

10. Proposed Revisions to WT/L/452 “Procedures for the Circulation and Restriction of WTO Documents” (WT/GC/W/897/Rev. 1)

Canada, on behalf of the co-sponsors, proposed modest tweaks to the process for derestriction of documents under a General Council Decision in 2002, which would allow external stakeholders to help them better understand the work of the organization. Antigua and Barbuda stated there was a need to further reflect on the proposal, particularly on paragraph 5’s derestriction of negotiating documents being exposed to the public prematurely. China, for its part, was open to the derestriction of meeting minutes and meeting agenda documents. However, China was concerned with adopting a one size fits all approach and also echoed reservations about derestricting documents showing negotiating positions or materials. India suggested that this proposal be taken up after MC13 and could first be examined by the CTG and other relevant Councils.

11. MC13 – Immediate Steps to Respond to Food Insecurity – Communication from Singapore (WT/GC/W/908)

Singapore noted that its proposal was not intended to distract or detract from critical discussions ongoing at CoA-SS and is not an attempt to be a silver bullet for all food insecurity challenges. Rather, it is a proposal for a modest attempt at an MC13 outcome addressing food insecurity in the short to medium term. Singapore viewed that its proposal was realistic and credible in focusing on such areas as export restrictions, added transparency, increased international collaboration, and exemptions for LDCs.

Singapore’s proposal garnered mix feedback from the membership, with the African Group insisting that the proposal “cannot be part of a medium and long-term solution to food security

challenges.” The African Group observed that existing disciplines are sufficient and balanced to address export restrictions as well as to safeguard policy space when members are faced with critical food shortages. The African Group also did not find hard evidence to show that limitations on export restrictions would solve food crises and were not in a position to undertake further transparency obligations.

Fiji, for its part, observed that food imports outweigh domestic production with a ratio of up to 80% for Small Island Developing States (SIDS). Fiji concurred that any emergency measures introduced to address food security concerns must be transparent, temporary, targeted and take into account the possible impact on other members. Egypt sought a clarification on the scope given the lack of a reference to net food import developing countries (NFIDCs) and observed that the draft proposal failed to address comprehensive food security. India observed that export restrictions are imposed only in situations of supply-side constraints, with the result that a non-imposition of export restrictions could expose domestic populations to supply shocks.

China provided qualified support in calling for improving transparency under existing rules but observed that changes in rules would have to be carefully deliberated. Mission also voiced measured support in remaining open to pursuing tangible food security results in the near term. Japan appreciated elements of the proposal including efforts to minimize supply chain disruptions for vulnerable countries while the United States agreed that export restrictions exacerbate market volatility and looked forward to discussing all proposals on the table.

Several delegations including Thailand, Malaysia, Paraguay, Hong Kong, United Kingdom and Switzerland expressed openness to elements of the proposal but recommended that the proposal should be deliberated on within CoA-SS. Brazil did not identify export restrictions as the main cause of high prices, excessive volatility, trade disruption, and food and nutrition insecurity. Instead, Brazil emphasized the need for a holistic approach involving all elements of agricultural liberalisation from domestic support to market access, and the creation of a productive and resilient food system.

12. Proposed Ministerial Declaration for the Thirteenth Ministerial Conference: Strengthening Regulatory Cooperation to Reduce Technical Barriers to Trade

China, on behalf of their co-sponsors, introduced a draft Ministerial Declaration (WT/GC/W915/Rev.1) “On Strengthening Regulatory Cooperation to Reduce Technical Barriers to Trade”.

The co-sponsors underscored the importance of the TBT Agreement in reducing trade frictions among WTO Members, and efforts to increase regulatory cooperation must be recognized by Ministers. In the draft declaration, Members are encouraged to engage in the early exchange of comments on draft regulations to identify potential regulatory differences, making technical regulations and conformity assessment procedures publicly available, fulfilling notification formats, and the further development and adoption of digital tools in the Committee. China reiterated that this would not burden the TBT Committee nor add any obligations to Members. This, in their view, would also send a signal that the WTO has the political will to agree on important issues and demonstrates the readiness of Members to address future regulatory challenges. Eighteen (18) delegations spoke on this proposal including the Philippines, and all conveyed their willingness to work with co-sponsors towards the adoption by Ministers at MC13.

The Philippines plays an active role in the TBT Committee, and we consider that supporting this proposal demonstrates that at the highest level, we support initiatives that increase transparency and cooperation to address technical regulations/standards that become unnecessary barriers to

trade. *In this regard, Mission recommends that the TCWM consult with the Bureau of Philippine Standards (BPS) and other relevant agencies with the view of co-sponsoring the draft Ministerial Declaration.*

13. Draft Ministerial Decision on Promoting Agricultural Production and Trade in NFIDCs and LDCs – Request from the African Group (WT/GC/W/918)

Cameroon, on behalf of the African Group, introduced the proposal, which covers five elements to enhance the capacities of NFIDCs and LDCs to meet their food security needs:

1. With the objective of enhancing agriculture production and productivity in LDCs and NFIDCs, these members would be allowed to provide domestic support in excess of their *de minimis* threshold under certain conditions, such as net importation accounting for more than 45% of domestic food availability or in food crises dealing with the importation of basic foodstuffs at inflated prices of 130% over the baseline;
2. To enhance food accessibility, members imposing export restrictions would explore voluntary exemptions for NFIDCs and LDCs, continue predictability of food aid, and integrate SDT provisions for extended timeframes of 54 to 72 months for repayment of export credits, export credit guarantees or insurance programs;
3. To enhance access to finance, an international compensatory financing mechanism would be introduced to finance commercial imports by LDCs and NFIDCs and to make available short, medium and long-term credit for enhancing production; and
4. To improve transparency on Food Aid programs and export credit, guarantee and insurance initiatives, the CoA would enhance notification requirements pertaining to these policies.

The majority of members noted that they were not provided sufficient time to consider the submission so they could only offer preliminary comments. The EU noted that exemptions on domestic support limits could be considered in the context of broader agricultural reform and also supported efforts to limit the use of export restrictions. The EU also remained open to improving transparency of food aid and limiting any trade distortive effects. Paraguay, United States, United Kingdom, Canada and Japan requested that the proposal be submitted to the CoA-SS or COA (where appropriate) and noted that some elements had been presented to the WG on Food Security.

14. Draft Ministerial Decision on Sanitary and Phytosanitary (SPS) Measures – Request from the African Group (WT/GC/W/914)

The African Group introduced the proposal, focused on specific measures to remedy problems that developing countries, and particularly LDCs, are facing in meeting increasing SPS regulations imposed by importing countries that are applied arbitrarily and without scientific basis. The draft Decision would require importing members to consult with developing country exporters if there are specific problems in complying with SPS measures and would have developed countries take into account the special needs of developing countries when introducing and applying SPS measures. This would largely be achieved by developed members applying longer time-frames for SPS compliance for products of interest of developing countries and would also provide assistance to improve capacity on preferential and non-commercial terms. Relevant international standard-setting bodies such as the Codex Alimentarius Commission, World Organization for Animal Health (WOAH) and the International Plant Protection Convention (IPPC) would provide assistance to the SPS Committee in interpreting SPS standards.

Paraguay noted its active involvement in dealing with SPS issues, such as minimum residual levels (MRLs) and called for engagement between Latin American countries and the African Group on this area of common interest. Several delegations remained open to the proposal, including Costa Rica, Russian Federation, China, Chinese Taipei, but requested that it be first discussed at the SPS Committee. The EU expressed concern that the African Group had tabled this proposal at such a late stage having “remained silent” during the SPS Declaration Work Program and called for the members to finalize the factual summary and recommendations, which are still pending final confirmation from two members.

15. Technology Transfer and Economic Resilience – Request from the African Group

The African Group continued to emphasize the centrality of technology transfer to build economic resilience in the face of food insecurity, public health challenges, and climate change and its transformative potential in creating a robust industrial base for the African continent. The African Group called for the issuance of a Ministerial Decision building on the Doha Declaration, establishing the Working Group on Trade and Transfer of Technology (WGTTT). A key element would create a dedicated agenda item on technology transfer in all relevant WTO bodies. Another element would include an assessment of measures constraining technology transfer and identification of specific flexibilities needed to promote technology transfer. The WGTTT would also conduct a periodic review based on the submissions of WTO bodies and would mandate the submission of recommendations by MC14.

The majority of delegations expressed confusion given that there was no specific proposal or draft document associated with the agenda item. Cameroon clarified that the proposal is linked to the six (6) African Group proposals on technology transfer that were previously tabled. Developing countries largely expressed openness to the broad concepts presented by the African Group while the developed group members focused on the importance of voluntary technology transfer through private-sector led and market-based mechanisms.

16. The Contribution of the Multilateral Trading System to Sustainable and Resilient Agriculture and Food Systems – Statement by the Cairns Group (WT/GC/261)

Australia, on behalf of the Cairns Group, presented the Cairns Group Statement on how the multilateral trading system can contribute to sustainable and resilient agriculture and food systems. The Cairns Group acknowledged that there is “no one size fits all approach to sustainable agriculture” but emphasized that agricultural import measures put in place in the name of environmental sustainability should not be unnecessarily trade restrictive and must be science-based. The Statement also holds that unilateral approaches risk undermining a multilateral approach to trade and sustainability.

The Africa Group was forthright in rejecting the Cairns paper, which it characterized as “another attempt to reset the agricultural negotiating agenda by pitching a narrative of food security based completely on trade liberalization, while ignoring the Ministerial mandate on critical food security instruments such as PSH and SSM... and developing countries (should not) have solutions superimposed on them from by countries which have commercial export interests in agriculture.” The Africa Group noted that the medium- and long-term solution to food insecurity is through a substantive food security and livelihood package, including PSH, SSM, and addressing the inequitable element of domestic support, such as the repurposing of green box and blue box subsidies. Egypt concurred that food security and livelihood should be a stand-alone issue and supported the alignment between WTO and relevant multilateral processes such as the UNFCCC.

China shared that it has similar views in promoting sustainable and resilient agriculture food systems and expressed its own concern with the significant surge of unilateral trade related environmental measures. China agreed that a one size fits all approach should not be utilized, and green transition support measures should be encouraged, while exploring fiscal domestic reform modalities aimed at levelling the playing field. China called on members to have evidence-based discussions in the CTE on the role of agricultural subsidies and the environment, which would be complementary to agricultural reform negotiations.

Japan agreed that there should not be a one size fits all approach but disagreed with the view that agricultural subsidies generally have a negative impact on the environment. From its experience, Japan designs and implements agricultural subsidies in a way that has a positive impact on the environment. The EU noted the COP28 Declaration on Sustainable Agriculture, Resilient Food Systems and Climate Action and agreed that autonomous trade measures must be developed in a way that achieves environmental objectives, minimises impact on trade, and which can only be done through transparency and dialogue with trading partners. The EU expressed readiness to share its experience in designing sustainable and resilient agricultural policies based on non-trade distortive green box compliant measures.

India observed that the Cairns proposal is contradictory in that it states there is no one size fits all approach and yet pushes for a uniform approach to agricultural negotiations. He highlighted that PSH programs are proving to be sustainable livelihood-based programs and reiterated the importance of prioritizing the G-33's 229 proposal at MC13.

17. European Union Regulation on Supply Chains Free from Deforestation and Forest Degradation (WT/GC/W/912)

Honduras, on behalf of a group of Latin American countries, reaffirmed their collective commitment to environmental principles, including addressing deforestation and forest degradation. The group expressed concern with the EU's deforestation regulation and urged the EU to revise its unilateral environmental regulations which places responsibility on countries less responsible for environmental degradation and will have a marginal environmental impact. They called for multilateral engagement and a cooperative approach, moving away from the reactionary and non-consultive methods used by the EU in the past. Peru, for its part, noted the negative impact on small-scale farmers engaged in cocoa and coffee value chains, and the limited period for operators to implement the measure, including a lack of clarity in the compliance and documentation process.

India welcomed the proposal and noted that similar concerns were voiced in its joint submission with South Africa to the CTE, particularly on how environment related trade measures exclude from their design the established principles of global environmental law such as common but differentiated responsibilities and respective capabilities (CBDR-RC) and nationally determined contributions (NDCs). India viewed the EU regulation as another example of a non-tariff measure blocking access to the EU market, while providing no evidence that the regulation will meet its intended objectives. India held that the regulation will obtain business critical data from exporters and does not take into account conditions prevailing in other countries such as their national policies to address the issue.

Several members also supported the co-sponsors, including China, Canada, United States, Thailand, Malaysia, Indonesia, Nepal, Samoa, Russian Federation, Africa Group, ACP Group and LDC Group, including on the benchmarking system and traceability requirements. Indonesia noted that small scale farmers will likely be excluded from global supply chains solely because they lack the capacity to comply with the excessive sustainability criteria. The Russian Federation

viewed the regulation as an attempt by the EU to protect its domestic industries and improve its competitive advantage. The U.S., for its part, noted that one-way information sharing is not sufficient, and requested the suspension of implementation of the EU regulation until the measure has been notified to the TBT Committee.

Norway was the sole member to support the EU in stating that it viewed the EU deforestation regulation as an important contribution to the reduction of deforestation and forest degradation by shifting demand side behavior. Norway recalled that it has provided USD 5 billion to protect forestation in developing countries and supported the COP 26 Glasgow Declaration on Forest Degradation and Land Use, whose aim is to halt and reverse forest loss by 2034 and contribute to as much as one-third (1/3) of the Paris Agreement's temperature target.

The EU noted that it has engaged at length on deforestation, recalled SDG commitments and the support of 143 countries to implement the Glasgow Declaration. The EU's regulation was crafted while recognizing the need for urgent action, particularly in addressing the EU's contribution to deforestation through its consumption of products associated with deforestation and forest degradation. The EU stated that it will implement the regulation in a spirit of close partnership, transparency and open dialogue. Ambassador Machado noted that engagement was a "two way street", with the EU remaining open to working with regulators and businesses to better understand what further tools are necessary to facilitate the regulation's smooth implementation. The EU will continue to engage bilaterally as well as through deforestation specific platforms, such as the EU Multi-Stakeholder Platform on Protecting and Restoring the World's Forests, Initiative on Deforestation Free Supply Chains and the Sustainable Cocoa Initiative before the regulation's entry into force in December 2024. The EU would take into consideration the various concerns voiced on risk categorisation and will take additional time to finalise the assessment, taking into consideration objective and internationally recognized data as well as efforts undertaken to fight deforestation and forest degradation at the national level.

18. Information on Investment Facilitation for Development (IFD) (JOB/GC/373)

Chile and Korea, on behalf of the 117 participants of the Joint Statement Initiative on Investment Facilitation for Development (JSI-IFD) took the floor to describe the current state-of-play of the negotiations. In their report, Chile informed the Membership that participants have completed the legal review of the English text of the IFD Agreement (IFDA) contained in INF/IFD/W/52, with the French and Spanish versions being finalized. In addition, participating Members will in due course, pursuant to paragraph 9 of Article X of the Marrakesh Agreement, request incorporation of the IFDA to Annex 4 of the WTO Legal Agreements.

A total of thirty-two (32) participants including the Philippines, spoke to confirm the group's intention to request incorporation of the IFDA into the WTO legal architecture at MC13. Developing and least developed participants that spoke also highlighted the developmental benefits of the Agreement, and how increased transparency of investment regulations and facilitation measures would attract much needed Foreign Direct Investments into their countries, contributing to poverty alleviation and generating employment. The Philippines for its part, underscored the Special and Differential Treatment (S&D) flexibilities incorporated into the Agreement, including the provision of Technical Assistance and Capacity Building (TACB) and the conduct of needs assessment exercises.

India, a well-known opponent of the Joint Statement Initiatives, intervened to highlight that the Doha Work Programme (WT/L/579) had a "negative mandate" on negotiations on investments. They also referenced India's statement at a General Council meeting in 2017 (WT/GC/M/167) that "Investment Facilitation" is not under the purview of negotiations in the WTO. In addition,

India was led to believe that Investment Facilitation discussions would be limited to an informal dialogue composed of information sharing by Members, and not full-fledged negotiations. They also emphasized in their submission in WT/GC/W/819/Rev.1 that any decision to add an Agreement into Annex 4 must be decided exclusively by consensus, inferring that they would not agree to incorporating the IFDA as a plurilateral agreement.

The United States responded that while they are not an IFD participant, they are supportive of the Agreement, while stating their disagreement with the submission by India and co-sponsors. Korea spoke to reiterate how much work has been done to conclude the Agreement and expressed the group's willingness to work with India and other non-participants to discuss their concerns on the IFDA.

19. Enhancing Multilateral Deliberative Function on Environment-Related Measures and Fostering Sustainable Development

China and Colombia introduced this item, following similar discussions at the CTE. China stressed that the WTO should play a more prominent role in ensuring the mutual supportiveness of trade and environment regimes and in pursuing multilateral trade solutions to respond to global environmental challenges. In particular, China called for political commitment to multilateral cooperative approaches to address global environmental challenges, including reiterating the principle that among measures taken to combat climate change, unilateral ones should not constitute a means of arbitrary or unjustifiable discrimination or disguised restriction on international trade. China also recommended setting up a multilateral mechanism, such as a standing item on the CTE agenda, for enhancing multilateral deliberative functions on transparency, policy design, environmental effects, market access impact particularly on developing countries, and identification of trade policy tools such as trade liberalisation of environmental goods and services, green supply chains, and technology transfer.

Colombia, for its part, highlighted that the WTO is disconnected with the three (3) main environmental conventions and agreements. Colombia emphasized the international trade law cannot be considered in isolation from multilateral environmental law and called for the WTO framework to adapt to multilateral environment agreements. Colombia stated "we must deal with all principles, findings, diagnosis, and prioritizations stemming from other agreements. Perhaps it is us who should adapt to them, rather than putting forth unilateral trade measures that don't take into account what has been achieved in these (environment) negotiations."

Brazil noted that the CTE should be harnessed as multilateral and collaborative platform and should examine the interplay between trade and environmental laws as well as enhance monitoring of trade measures used for environmental objectives and environmental measures that have a trade impact. Egypt called for transparent and inclusive multilateral discussions on trade and environment while Türkiye noted opportunities to examine how heterogenous climate policies can be considered and aligned, taking into account different levels of development. The Philippines noted developments at COP28 and noted the importance of ensuring complementarity between the WTO and other multilateral processes, as well as recognizing that measures taken to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination, or disguise restriction on international trade. South Africa, for its part, agreed that members should avoid a race to the bottom with the use of subsidies and called for goodwill in promoting green growth and in safeguarding the interests of developing countries.

The EU recalled its proposals on WTO reform included enhanced deliberation on environmental challenges. The EU noted that it has been proactively engaged in consulting with members on its trade-related environmental measures during both the design phase and when they are in force. The EU expressed concern that China's proposal would discourage engagement by focusing on a

rigid debate on WTO law and environmental law. Ambassador Machado expressed caution since the membership would not want other organizations to question WTO law. Singapore concurred that the approach should not be overly prescriptive and introduce additional obligations. Norway, while stating that the two regimes should be seen in conjunction, was not in favor of importing regimes or principles from one process into another. Japan and Switzerland did not support the proposed standing item, and cautioned that importing principles would lead to divisive and repetitive debate.

20. Review of the Exemption Provided Under Paragraph 3 of GATT 1994

Under this item, the United States notified its intention to extend the exemption for non-conforming provisions of domestic legislation of a non-discretionary character related to the U.S. Jones Act on maritime cabotage, which requires that the carriage of goods or passengers between U.S. ports utilize U.S.-built or U.S. flagged vessels. The U.S. confirmed that the conditions that created the need for this exemption continue to exist, including the U.S. Navy's reliance on commercial shipyards for day-to-day maintenance of naval and surge fleet vessels as well as to maintain demand for the shipping sector and merchant marine corps. Japan, Norway, EU, China and Panama continued to express concern with the continued exemption, noting that this legislation restricts fair competition in the shipbuilding and shipping markets and has been utilized for increasing protectionism in related industries such as logistics, dredging, and energy. The EU noted that the Jones Act has been in effect for more than 103 years and both the EU and China urged the U.S. to undertake a non-predetermined review of the exemption, taking into account real world conditions.

21. Waivers under Article IX of the WTO Agreement

The GC adopted the five draft Decisions referred to by the CTG Chairperson related to the extension of the waivers for Members introducing the Harmonized System (HS) for 2002, 2007, 2012, 2017 and 2022 into their WTO Schedules of Tariff Concessions. The Philippines has been included in the waiver Decision for HS 2012, 2017, and 2022.

The GC also reviewed 7 waivers under Article IX of the WTO Agreement and adopted all five (5) of the reports that were submitted covering waivers for LDCs, Cuba, and U.S. granted preferential treatment. The Caricom noted the importance of continued duty-free access to the U.S. market, which is its largest trading partner.

22. International Trade Centre (ITC) UNCTAD/WTO – Report of the Joint Advisory Group (JAG) on its 57th Session (ITC/AG(LVII)/292)

The Chairperson of the CTD provided the GC with a report of the JAG on the ITC. The GC adopted the report and several delegations including Barbados, Mauritius, ACP Group, and African Group appreciated the ITC's work in support small businesses and enhancing the inclusiveness agenda, including through the She Trades initiative, youth and trade initiative, as well as sectoral initiatives on fashion/textiles, agribusiness, and investment facilitation for development.

23. Review of WTO Activities

The GC adopted the annual reports of the GC, DSB, TPRB, Sectoral Councils, relevant Committees, Working Groups, and Committees of Plurilateral Trade Agreements.

24. Appointment of Officers to WTO Bodies – Announcement by the Chairperson Pursuant to Paragraph 7.1 (A) of the Guidelines (WT/L/510)

The GC Chair recalled that she had met with Group Coordinators on 8 December 2023 and noted that an emerging draft slate of candidates would soon be circulated.

The next regular GC meeting is scheduled for 21-22 March 2024.

Comments and Recommendations

Mission looks forward to further coordination with the Department and TCWM in preparing for MC13, particularly on the core focus areas related to development and LDC graduation, E-Commerce Work Programme and Moratorium, agriculture and food security, WTO reform particularly dispute settlement reform, fisheries subsidies, environmental sustainability, and integration of Joint Statement Initiatives (JSIs) into the WTO's legal architecture. Mission would invite agencies to examine the proposals that have been tabled to further develop national positions on these critical issues.

For the Department's and TCWM's consideration and information.



MANUEL A.J. TEEHANKEE

Ambassador and Permanent Representative

Item 11. Singapore's Proposal on Immediate Steps to Respond to Food Insecurity

Word Count: 250

We would like to thank Singapore for surfacing this proposal at the General Council, which complements ongoing work in the COA-SS, and attempts to mitigate against possible trade distorting measures that could affect the food security of net food importing countries. The Philippines does support a holistic outcome on agriculture at MC13 but we also remain pragmatic that we should be open to achieving tangible results in the near term.

We do not believe that the issue of export restrictions is a key offensive or defensive interest of members in agricultural negotiations. We sense that the membership generally holds a similar perspective that it is a policy tool that must be used judiciously in only extreme and temporary situations. The Singapore proposal does contain key elements that help to reinforce the responsible use of export restrictions, such as on the notification and review of export prohibitions or restrictions, commitment to engage in consultations, and the key commitment to refrain from imposing export restrictions on essential foodstuffs for least-developed countries.

We look forward to further engagement in delivering concrete food security related outcomes at MC13.

Thank you.

Item 12. Proposed Ministerial Declaration for MC13 Strengthening Regulatory Cooperation to Reduce Technical Barriers to Trade

Word Count: 149

The Philippines thanks China and co-sponsors for this draft Ministerial Declaration. We recognize the outstanding work of the TBT Committee, and we welcome initiatives that further improve collaboration among WTO Members. .

We acknowledge that regulatory cooperation among our authorities is key to resolving many issues among WTO Members, and the Philippines is supportive of all the elements contained in the draft Ministerial Declaration, particularly the early exchange of comments on draft regulations, increased transparency, further enhancing the use of digital tools, and TACB.

All these initiatives, in our view will further improve the functioning of the TBT Agreement as we face new regulatory challenges in the areas of climate change, the digital economy, and global health. More importantly, it is our hope that this increased regulatory cooperation will reduce the Specific Trade Concerns that the committee needs to address.

We look forward to this proposal progressing towards MC13.

Item 16. Cairns Group Sustainability Statement

Word Count: 165

The Philippines has co-sponsored the Cairns Group sustainability statement, which advocates that sustainability should not be seen as a trade barrier that hinders international trade. This statement emphasizes the significance of implementing sustainability measures that are based on scientific evidence, transparent in their implementation, and non-discriminatory in their application. Many of the elements found in the Cairns Group statement are reflected in the COP28 Declaration on Sustainable Agriculture, Resilient Food Systems, and Climate Action, which has garnered the support of 158 countries.

The statement emphasizes the importance of sustainable agriculture in ensuring food security, reducing environmental impacts, and improving livelihoods in rural communities. Sustainable practices not only ensure the long-term viability of agricultural systems but also contribute to the well-being of future generations. With the world's population steadily increasing, it is crucial to adopt sustainable approaches that can meet the growing demand for food while safeguarding the environment.

The Philippines looks forward to working with the general membership in including these elements as part of a food security outcome at MC13.

Thank you.

Item 18. Information on Investment Facilitation for Development

Word Count: 185

The Philippines thanks co-coordinators for the updates and for bringing us where we are today.

The objectives of the IFD were clear from the beginning – it increases transparency and facilitates procedures for investments. As Foreign Direct Investments greatly contribute to generating much needed jobs in my country, and as more Philippine businesses are exploring opportunities abroad, the future IFDA makes it easier for global investors to understand investment regulations and bring business to those countries that need them.

More importantly, the IFDA is a development-focused agreement, as it offers a dedicated section on Special and Differential Treatment. It has a section on Sustainable Investments, encouraging responsible business conduct. In addition, the WTO Secretariat, in cooperation with international organizations are conducting needs assessment exercises to ensure all participants can effectively implement the Agreement.

In closing, any initiative that can contribute to increased foreign direct investments into developing and least developed countries will certainly contribute to better, long-term investments, contributing to achieving our sustainable development goals. Like others, we also call for the incorporation of the IFDA into the WTO legal architecture as an Annex 4 Agreement.

Item 19 – Enhancing Multilateral Function on Environment-Related Trade Measures and Fostering Sustainable Development – Request from China and Colombia**Word Count: 227**

The Philippines would like to thank China and Colombia for raising this issue at this crucial juncture, right after COP28 has successfully concluded in Dubai with the Global Stocktake and key outcomes on the loss and damage fund, commitments to triple renewable energy capacity and double energy efficiency improvements, the phase out of inefficient fossil fuel subsidies and ambitious language on just energy transitions towards net zero by 2050.

The Philippines concurs with those that have spoken about the need for the WTO to be more ambitious in focusing on how trade policy instruments can support environmental sustainability. We welcome efforts to revitalize the CTE but also see the need to apply a sustainability lens across the organization, in technical work of Committees and in enhanced cross-Committee collaboration. The Philippines holds that the WTO would stand to benefit from pursuing greater complementarity with other multilateral processes and MEAs. In this respect, the Global Stocktake calls on members to promote “a supportive and open international economic system...noting that measures taken to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade.” We stand to benefit in examining how the WTO can positively contribute to our collective environmental goals and call for a commensurate level of ambition at MC13 that was shown at COP28.