WTO’s 12th Ministerial Conference

Why in news?

The World Trade Organization's 12th Ministerial Conference (MC12), a forum to ensure trade rules will take place from 30 November to 3 December 2021.

What is the WTO Conference (MC12)?

- The WTO is an inter-governmental organization for negotiating trade agreements, settling trade disputes, monitoring trade policies and delivering technical assistance on trade to developing countries.
- The Ministerial Conference is the **highest decision making body** of the WTO.
- Trade ministers generally meet at the Ministerial Conference every two years, but MC12 was postponed due to COVID-19.
- MC12 will be chaired by Timur Suleimenov, the Kazakhstan President’s Envoy for International Trade.

What will happen at the WTO Conference in December?

MC12 Multilateral Discussions

- **Vaccines and other critical supplies -** Vaccine distribution, export restrictions, trade facilitation and improved transparency in medical supply chains needs to be discussed.
- Temporary intellectual property (IP) waivers have been debated.
- **Saving fish stocks -** Negotiations have been ongoing since 2001 to eliminate harmful fishing subsidies and a revised text is being discussed ahead of MC12.
- **Food and Agriculture -** Developing countries are keen to see a permanent solution preventing challenges to government food purchase programmes when these breach certain trade-distorting limits.
- Some countries are also pushing to reduce farming subsidies and some for new market access talks.
- **Electronic tariffs** - A temporary prohibition on customs duties on electronic transmissions is up for debate again.

MC12 Plurilateral Discussions

- **Services trade** - 65 WTO members accounting of 90% of global services trade have agreed to cut red tape in the way they regulate services.
- Its implementation could result in small businesses benefiting from an additional 2-3% cost reduction compared to large firms.
- **Sustainable trade -** Three sustainable trade coalitions will be launched on environmental sustainability, phasing out fossil fuel subsidies and on tackling plastic pollution.
- **Boosting investment -** Negotiations are looking at issues like streamlining the administrative procedures to make an investment in a country.
- **Going digital -** Talks on digital trade continue with text finalized on spam, e-signatures, e-contracts, consumer protection and open government data and paperless trading.
- **Addressing gender inequalities -** A group of WTO members will issue a joint declaration on improving gender-disaggregated data for better trade policymaking and ensuring gender-mainstreaming in the WTO's development work.

In which issues does India have major stake?

- WTO reforms on special and differentiated treatment (S&DT) of developing countries
- Public procurement for food security
- Response to Covid-19
- A patent waiver proposal floated by India and South Africa to fight the pandemic

What is India's stand on S&DT?

- India is concerned that developed nations are pushing on reforms that would dilute provisions on S&DT (special and differential treatment) for developing countries
- S&DT allows developing and less developed countries to enjoy certain benefits such as longer time periods for implementing agreements and binding commitments, measures to increase trading opportunities, etc.
- Currently, any WTO member can designate itself as a developing country and avail these benefits but developed countries believe that self-declaration will put the WTO on a path to failed negotiations and institutional irrelevance.
- However, India is open to discussions on classification of developing

countries.
- India’s best strategy at the ministerial is to make constructive suggestions on strengthening WTO as it has vital interests in a rules-based multilateral trading order while firmly standing up for the developing world.

References

1. https://www.financialexpress.com/opinion/wtos-12th-ministerial-conference-the-road-to-geneva/2374688/
2. https://www.weforum.org/agenda/2021/11/what-to-expect-from-the-wto-conference-in-december/

Quick Facts

World Trade Organisation (WTO)

- WTO is the only global international organization dealing with the rules of trade between nations
- It was created in **1995** superseding the 1947 General Agreement on Tariffs and Trade (GATT)
- Headquarters – **Geneva,** Switzerland
- WTO has over 160 members representing 98 per cent of world trade
- **Ministerial Conference** – It is the topmost decision-making body of WTO which usually meets every two years
- **General Council** - It is the WTO’s highest-level decision-making body that has representatives from all member governments and meets regularly to carry out the functions of the WTO
- The General Council also meets under different rules as the Dispute Settlement Body and as the Trade Policy Review Body.

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