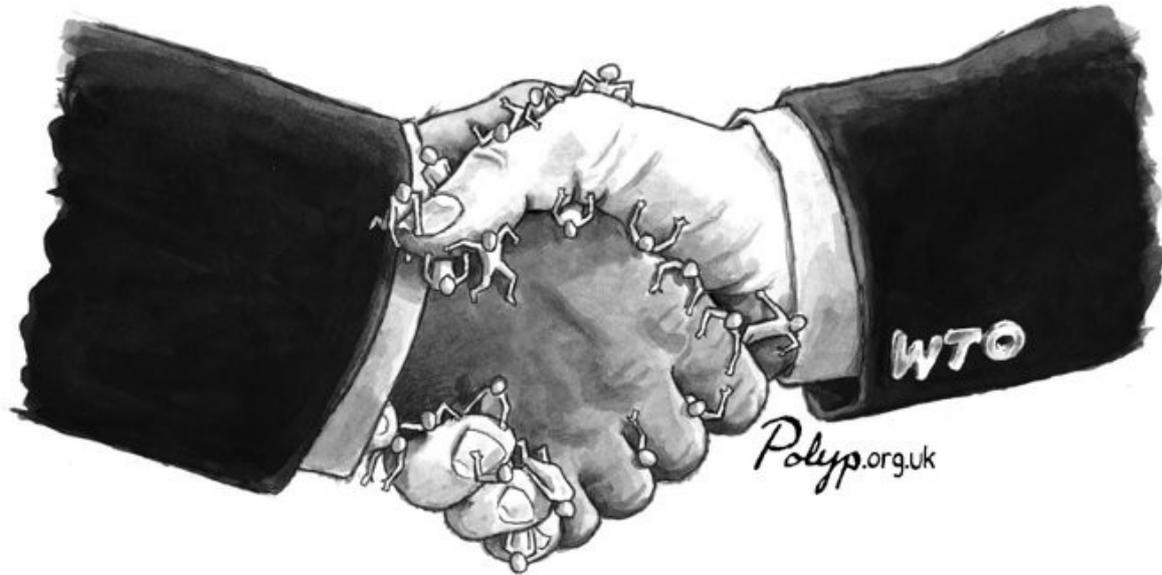


***“WTO’s 2022 Geneva Package”  
Historic or Just Rhetoric?***



**ANALYSING  
THE 12<sup>TH</sup> MINISTERIAL CONFERENCE (MC<sup>12</sup>)  
OF THE WORLD TRADE ORGANIZATION (WTO)**

## A. BACKGROUND

The World Trade Organisation (WTO) held its 12th Ministerial Conference (MC) in Geneva from 12-17 June 2022. The conference was held in trying and uncertain circumstances, with the pandemic and Ukraine war showing little signs of resolution and a resultant spiral in global fuel and food prices. Global trade had taken a battering due to the pandemic and the WTO was under pressure to deliver an ambitious outcome after a string of lacklustre ministerial meetings in the last decade. The northern countries came well prepared to Geneva; their intention was to stymie a comprehensive waiver of rules on the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS), block a permanent solution on public stockholding for food security purposes, sign an agreement curtailing fisheries subsidies under the guise of meeting the Sustainable Development Goals (SDGs) and extend the moratorium on duties for e-commerce transactions. On the other hand, developing countries were unfocussed and disunited; they frittered away the opportunity to demand real commitments on Special and Differential Treatment (S&DT), removal of Intellectual Property Rights (IPRs) in technology-transfer for pharmaceuticals and medicines, address their long standing demands on public stock holding, and tackle the global food crisis and current and future pandemics. Unsurprisingly, the rich countries (and the transnational corporations they host) emerged as clear winners from Geneva and a moribund institution was revived.

In this context, La Via Campesina (LVC), the global network of peasant movements, and Focus on the Global South (Focus) organised a critical review of the MC 12 ‘Geneva Package’ on June 27, 2022 with a focus on public health, agriculture and fisheries<sup>1</sup>. The briefing note below examines the MC 12 within a broader political frame and the outcomes are discussed from the perspective of social movements, small-scale producers and working classes worldwide.

There are **three annexures**, appended to this note, that are responses to the MC 12 outcomes. The first is the Geneva declaration from the delegation of La Via Campesina that was present in Geneva during the WTO MC 12. The statement articulates an alternative vision for agriculture trade that is based on the principles of food sovereignty. The second annexure is the statement from Focus on the Global South on how the WTO continues to fail the Global South. Finally, we carry the inputs made by Professor Walden Bello at the online session organised on June 27, 2022.

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<sup>1</sup>Speakers at the event included Professor Walden Bello (-Focus on the Global South), Ranja Sengupta (-Third World Network), Zainal Arifin Fuad & Jeongyeol Kim (-La Via Campesina), Professor Biswajit Dhar (-Jawaharlal Nehru University) and Lauren Paremoer ([People's-People's Health Movement](#)).

## **B. DECODING THE GENEVA PACKAGE & WTO'S "REVIVAL"**

The Ministerial outcomes signify a big victory for the World Trade Organisation (WTO), developed countries and big business. For instance, the text adopted on Trade Related Intellectual Property Rights (TRIPs) reflects the European Union (EU) position on the use of existing flexibilities and the US position to narrow the scope to vaccines. Further, there has been an undermining of developing country positions on agriculture, fisheries, and institutional reforms; and an emphasis on issues of offensive interest to developed countries such as e-commerce, and trade facilitation. Immediately after the MC 12, the Group of 7 (G7) countries issued a declaration reaffirming open trade and markets, focussing on removal of export restrictions rather than addressing food security, which is now a global crisis. The same pattern was repeated on the WTO and pandemic response. On all these fronts the processes are being hijacked by the developed countries as 'first movers', that are pushing through the same proposals through various channels.

The biggest win from Geneva is for the WTO itself, in the prospects for the perpetuation of an organisation otherwise seen to be on its last legs. The WTO had not come up with a consensus declaration for a long time. While the MC 09 in 2013 adopted a package that included decisions on some areas, there was no consensus on a key item: the permanent solution on the issue of public stockholding for food security. The last MC 11 in Buenos Aires was a dismal failure with no substantive outcome other than a decision to continue talks on fisheries subsidies and a work programme on electronic commerce. The WTO had appeared as one ministerial away from being rendered defunct and irrelevant. MC 12 is now being touted as a victory in that it can indeed achieve agreement despite an adverse global situation; the conclusion of the ministerial with an ambitious work programme is a reassertion of its preeminent role as the global engine for free trade and liberalisation.

- **For peasants, small-scale food producers and workers, the MC12 outcome is a big strategic defeat.**

The outcomes have merely reaffirmed how the WTO works against the people, in its protection of the interests of transnational corporations (TNCs) and management of 'free trade' – which is nothing but a vehicle for developed countries to push their agenda against the interest of the global south. Developed country groupings as the G7 and the Organisation for Economic Cooperation and Development (OECD) push forth with forceful demands on efficiency and productivity while shutting out demands for self-reliance by the developing world. This chorus for 'free-market' is also amplified at the Group of 20 (G20) meetings, and other global arenas such as the World Economic Forum.

Even multilateral organizations such as the World Food Programme (WFP) and the Food and Agriculture Organisation (FAO) are backing the same rhetoric of keeping trade open, rather than emphasising the building of capacities for health, food security.

The WTO as an organisation has nothing left for the countries of the Global South, or for the peasants, indigenous people and the working classes across the world. Rather, it is a cheer-leader for industry elites, whose ambitions are often in conflict with the world's working class in all continents.

The so-called Doha Development Agenda (DDA) initiated in 2001, which promised to underscore the developmental nature of new multilateral negotiations by addressing issues raised by developing countries, is in tatters. There is hardly any interest, particularly from the rich countries, to pursue this agenda and the failure to achieve consensus on it has in fact been used as the basis to call for reforms in the decision-making processes within the WTO. In the current assessment, there is nothing left for small farmers and producers in the South or North.

In short, the developing world came out of MC 12 without health security, food security and weakening of their collective positions. The peasants, indigenous peoples and the working class in the North, who are already sidelined by excessive industrialisation and corporate control, have nothing to gain from the MC12 outcomes. It is important to highlight here that the small-scale dairy farmers or small-scale meat sellers of Europe, Australia or United States (or for that matter any advanced economies) are not the beneficiaries of the huge subsidies and incentives offered by wealthy northern governments. All these so called outcomes from these Ministerial meetings are only meant to keep the pot-boiling for the multinational agribusinesses headquartered in the Global North. The real losers and victims here are peasants and rural communities everywhere.

In terms of some of the significant sector-specific issues, the developments vis-à-vis the proposed TRIPS waiver, and on agriculture and fisheries, have been shocking. These and other aspects are discussed in some detail below.

#### ➤ **Trips waiver: A closer look**

On the **TRIPS waiver** proposal, the outcome did not address the pandemic situation and the serious continuing impact in the South. Low-income countries continue to struggle with vaccine access and the increased burden on their public health systems. The MC12 decision on the TRIPS agreement is not a waiver, even though it may be sold as such. It is only the existing compulsory licensing system repackaged and a restatement of flexibilities. The revised text that was used as the basis for the negotiations reflected the positions of the European Union, Norway, United Kingdom, Switzerland, and Germany, which have consistently opposed the India and South Africa proposal, and is in the interest of Big Pharma: specifically Pfizer, Moderna, Astra Zeneca and Johnson and Johnson.

The outcome falls short of the waiver demand by India and South Africa, which was endorsed by 63 countries and supported by more than 100 countries. The text has a dysfunctional and contradictory element where countries who can produce vaccines are not allowed to do so. In addition, the decision does not cover aspects that are needed to scale up production such as know-how, technology, trade secrets - all of which continue to be protected. Diagnostics and therapeutics, which are easier to produce, are not included under these flexibilities. Countries are to use whatever limited provisions are available, and with many developing countries facing multiple crises where pursuing compulsory licences and financing is difficult. Now, as the World Bank (WB) and International Finance Corporation (IFC) advance into this financing space, the implications of this will also have to be monitored.

It is unlikely that the agreement could be further enhanced, despite a promise to consider extension of the coverage to include production and supply of COVID-19 diagnostics and

therapeutics, given the aversion to the use of Intellectual Property Rights (IPR) waivers in dealing with (future) pandemics. Furthermore, countries such as India also backed off on their stand on the issue. This has adverse implications for developing countries and South-South solidarity.

Two parallel global processes are also relevant here: one for declaring health emergencies and another for a pandemic treaty, but neither look to include IPR waivers to deal with public health emergencies, or other coordinated responses and solidarities from the Global North. Instead, there is a move towards greater codification under the WTO rather than the World Health Organisation (WHO) of measures to respond to global health emergencies gaining precedence.

### ➤ **A dive into the fisheries-related and other outcomes at the MC12**

On **fisheries**, the agreement disregards Special and Differential Treatment (S&DT) as the developed countries blocked such distinctions even after 21 years of concrete proposals by developing countries. The push by the developed world has been towards minimising S&DT both in coverage and duration (now allowed only for two years), even as many countries do not have the capacity to register small scale fisheries under these provisions due to data and management problems. Least Developed Countries (LDCs), developing countries, and developed countries now have the same status where the latter have no applicable disciplines on overfishing, managing to restrict this aspect with the sustainability clause. This is because the fisheries sector in the developed world meets scientific and technical criteria for sustainability. Fisherfolk movements worldwide are also opposing the Elimination of Fisheries subsidies under Illegal, Unreported, Unregulated (IUU) fishing categorisation. In many developing countries boats that belong to the small-scale or artisanal fleets are yet to be registered. The WTO's sweeping attempt to remove subsidies on the basis of such categorisation pushes the most vulnerable fishworkers into poverty.

What is indeed happening is a reverse S&DT for rich countries, that can continue to subsidise fishing activities of the multinational corporations hosted in these countries. The fisheries agreement signifies a big loss for the South and for the small-scale fisherfolk in the Global North.

Developing countries will need to rethink their future approach on this critical issue.

There has been no agreement on **agriculture** at the MC12 and no headway in discussions on the critical aspect of Public Stock Holding (PSH), which was a key demand of the developing countries in the interest of food security. It may be highlighted that agreement on PSH should have been achieved in 2017, as developing countries fought to the end at Buenos Aires. Even in the Global North, in countries like France, and particularly after the supply-crisis in the wake of the pandemic and the wars, the peasant movements have been insisting that public stockholding measures are vital for achieving food sovereignty and reducing external dependencies. Yet, at the MC 12, there is no mention of the issue or of timelines by which there will be a decision to this end. There is no reference to the Special Safeguard Mechanism (SSM) which is critical for developing countries. There was also no discussion at all on the long pending issue of addressing US cotton subsidies.

The larger impasse on European Union (EU) and United States (US) subsidies also continues. The WTO Agreement on Agriculture (AOA) allows high subsidies by developed countries (*with transnational corporations in the Global North as the sole beneficiaries*) while disallowing developing countries from supporting their small farmers. The EU and the United States (US), which want developing country raw materials (agri and non-agri) continue to block value addition within the developing countries, and the maximum impact of the control of the global food supply chain by four or five mega agri-businesses is on the net food importing countries (NFICs). In the process peasants and small-scale food producers everywhere lose out. It also feared that the decision on World Food Programme (WFP) procurement may mask more rules on export restrictions going forward.

In terms of broader **organisational framework and processes** which includes the issue of **WTO reforms**, there has been continued US unilateralism in blocking progress on the functioning of the dispute settlement mechanism and appointment of judges to the Appellate Body. There is growing concern of ‘friends shoring’ in trade with the US propping up countries supporting democracy and free trade - and thus mobilising against China, which it sees as benefitting unduly from the WTO. The issue of reforms (and the word itself) has also been hijacked, to include proposals for further market access and liberalization that are a danger to developing countries.. In the present balance only the LDCs continue to receive concessions. There is in turn a growing centrality of the capacity building and financing central role of International Financial Institutions such as the World Bank, which holds further debt implications.

➤ **What were the forces at play that resulted in the MC12 outcomes?**

The developments in Geneva in June 2022 are not a-contextual, but a result of years of political pressures which have been fracturing developing country solidarity. This was a skewed process, in which ‘green room’ consultations were used extensively. Developed countries such as the US, Canada, EU and others engaged with select developing countries (India, China, South Africa, Indonesia) leveraging various geopolitical tensions.

Most negotiations were conducted this manner with no time for much of the developing country members to consider or discuss proposals. Documents were closed before many substantive issues could be decided, as in the case of the fisheries agreement, for submission to the ministerial. The conference thus became more of a platform for politics and interplay of geopolitical alliances, rather than content-based discussions. These closed room discussions now appear to be the template and new norm for WTO under the ‘reform’ agenda going forward. These have pushed transparency to the backburner with processes becoming more opaque and exclusive, even under the guise of ‘multilateralism’.

The role of the current Director-General (DG) of the WTO should also be scrutinized. DG Nkozi Okonjo-Iweala was brought in as a compromise candidate and a ‘voice of reason’ in the face of the insistence by then US President Trump on the South Korean candidate.

There is no evidence of her supporting South positions in her earlier role with the World Bank. At MC 12 she is reported to have pressured developing countries to fall in line, instead of protecting the interests of the global South.

While there has been discussion of the dominance of and manipulation by developed countries, developing countries have also shown themselves unable or unwilling to protect the interests of their peoples, and certainly not ready to take on the failure of the WTO on their hands. The shift in India's position in which it reneged on its stand on TRIPs and on agriculture is an echo of the 1988 Uruguay Round. It is more disappointing that the outcome is being positioned as a victory rather than because of pressure on different fronts. The South African government is also seen as increasingly neoliberal. Even in the face of progressive proposals on the TRIPs waiver in Geneva, its Trade Ministry was not willing to walk out on the agreement, which is now framed as a 'success story' and victory for local manufacturing.

Despite different groupings coming together in a joint proposal on PSH, the Group of 33 (G33) and the African Group were given no voice in the negotiations in which the US and Brazil had 'gone rogue'. Many of the developing countries were concerned and knew this to be a moment to try to change the WTO rules to work for them. However, the amplification of 'false solutions', and very aggressive media campaigns made it hard for them to criticize the outcome.

## **C. IMPLICATIONS FOR ORGANISING AND CAMPAIGNING ON THE WTO**

From a Global South perspective, it is important to stymie the functioning of the WTO which is a prop for neoliberalism and neo-imperialism. Its continuity is only a carte blanche for the exploitation of the developing world and the already marginalised peasants and working class of the Global North. In the past 27 years, the WTO has lost its legitimacy as a multilateral institution and the way forward for the developing countries to reject it completely. In the light of the MC 12 outcome, developing countries should also reassess the role of the current DG and call for her resignation.

It is also important to emphasise here that WTO (*and other regional and bilateral agreements such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, the Indo-Pacific Economic framework and countless other such instruments*) are mechanisms to sustain and grow transnational corporations, under the garb of globalization. Here, we recall the legendary peasant leader - late Mr. M.D Nanjundaswamy from India - who once said, *"The word globalization, if you want the meaning of it from me, I would say it is a kind of recolonisation of the South by the Northern Corporations. But it doesn't stop there. It is a kind of colonisation of their own people in their own countries also. So its colonisation internally and colonisation internationally, by the same few multinational corporations. And that is globalization"*.

The WTO facilitates this re-colonisation of the working class. It continues to represent the interests of multinational corporations, while disregarding and disrespecting the lived realities of peasants, indigenous peoples and the working class everywhere.

On the specific issues, it is essential to review and re-organise positions focussing on the unjust frameworks supporting agreements on agriculture (under which developed countries use subsidies to support agri-businesses) and fisheries. It is also crucial to strengthen global food sovereignty movements and national struggles against the WTO, particularly with reference to the issue of public stockholding to address the food crisis.

It is imperative for civil society to step in and provide regular and relevant analysis on what has happened in Geneva and beyond and organise against the ill-effects of the ministerial outcome. Global movements have played a significant role in the past, which we must build on for future struggles in support of the rights of peasants, indigenous peoples and working classes. It is necessary to strengthen such alliances going forward.

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## **ANNEX I: GENEVA DECLARATION: END WTO! BUILD INTERNATIONAL TRADE BASED ON PEASANTS' RIGHTS AND FOOD SOVEREIGNTY!**

The 2022 Geneva Declaration | La Via Campesina | 28 June 2022

We, La Via Campesina – the voice of more than 200 million peasants, indigenous peoples, migrant workers, pastoralists comprising youth and women and counting 182 peasant organizations in 81 countries as our members – are assembled in Geneva, Switzerland – from 11 June 2022 to denounce the destructive neoliberal policies of the World Trade Organisation (WTO) that has decimated rural economies, worsened rural debt and aggravated hunger.

La Via Campesina, founded 30 years ago as an internationalist response of the small-scale food producers worldwide to resist the globalization of free-market policies and speculative trade in agriculture and food.

As we predicted, the global crises that confront our world today – namely, the corporate control and concentration in the international food systems; global warming aggravated by industrial farming techniques; large-scale deforestation; the dispossession of rural communities through forceful and violent eviction from territories; criminalization of those who resist; intellectual property claims on peasant seeds; increasing distress-migration from the rural areas; horrid treatment and abuse of agricultural workers and migrants; destruction of biodiversity; proliferation of unhealthy and junk diets; soil destruction due to extensive use of agrochemicals etc – are a result of an unchecked and unregulated expansion of global financial capital, pushed by the troika of the WTO, International Monetary Fund (IMF) and World Bank, through Free Trade Agreements, Investment Treaties, Strategic Economic Partnerships, Structural Adjustment Programmes, Conditional Loans and Aid programmes. These crises, we insist, have a disproportional effect on women and girls who already carry the burden of patriarchy and gender-based violence. All these have also exacerbated socio-economic inequality and hunger in the world.

In June 2022, on the streets of Geneva, we led demonstrations against these destructive policies. Our rallying cry “*Free Trade Fuels Hunger, WTO Out of Agriculture*” expressed the anguish and anger among small-scale food producers worldwide. It is indeed a matter to cheer that there has been no real breakthrough on contentious issues at the 12th Ministerial Conference, which only points to the continuing irrelevance of the WTO. Our mobilizations in Geneva (and our historic rallies against the WTO since 1999) have made it possible to expose the destructive policies of this institution. In Geneva, where we met after a gap of over two years due to the pandemic restrictions, we also embraced each other in solidarity and unity. We shared inspiring accounts of peasant struggles on all the continents and reaffirmed our commitments to bring food sovereignty to our territories.

Drawing immense energy, hope and enthusiasm from our joint mobilizations in Geneva – and on behalf of our global movement – we call for an overhaul of the current international trade system. Here is how we can build an alternative that reflects and responds to the realities of peasants and indigenous people everywhere.

- The WTO must end! The Agreement on Agriculture should be dismantled and all Free Trade Negotiations should keep out of Agriculture!
- Set in motion a Global Multilateral Framework for Executing International Trade, based on Peoples' Food Sovereignty principles and per the UN Declaration on the Rights of Peasants and Other People Working in Rural Areas (UNDROP), other human rights instruments, such as the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) as well as several international Conventions and Covenants, etc.
- Nothing about us, without us! The construction of this framework must be through a multilateral intergovernmental working group comprising equal and inclusive representation and participation of social movements and civil society.
- Keep Transnational Corporations, lobbyists, and agenda-driven philanthropic arms out of these discussions and spaces and listen to the people!
- We call upon the governments to exit the WTO, stand on the side of the peasants, agricultural workers, migrants and indigenous people, and create an alliance of progressive countries to advance Food Sovereignty and Peasants' Rights.
- We call for implementing a Genuine Agrarian Reform and national policies that promote the right to land and a complete and well-coordinated transition into peasant-based-agroecological production practices.
- We call upon governments to build public food stocks procured from peasants and small-scale food producers at a support price that is just, legally guaranteed and viable for the producers.
- Bring strong anti-dumping legislation that is necessary to stop exporters from destroying local markets.
- Forbid the use of agriculture to produce biofuel. Food should be an absolute priority over fuel.

We have listed the building blocks of an alternative we urgently seek for our world, and this cannot wait. We cannot wait for the WTO to reform itself and bring all these changes because of its inherent contradictions and apparent conflict of interests.

An essential pre-condition for these changes to take root would be the urgent implementation of the Articles of the UN Declaration on the Rights of Peasants and Other People Working in Rural Areas (UNDROP).

This month also marks the 50th Session of the UN Human Rights Council (UN HRC). At this Session, La Via Campesina is putting forth concrete demands in making UNDROP a lived reality for our communities;

The implementation of UNDROP is undergoing in many regions and countries through public policies, training, new jurisprudences based on the UNDROP, and different types of actions in the daily lives of rural communities. The implementation must also happen through mainstreaming and monitoring at the international level. In this respect, our movement is advocating for creating a special procedure on the UNDROP. This special procedure will allow for effective implementation, especially UNDROP mainstreaming and monitoring at the global level. At the 50th session of the UN HRC, we have moved a step forward on this objective. La Via Campesina delegates tirelessly advocated with the Member States and other UN bodies in Geneva. We will continue our excellent work and have set the timeline to achieve this creation of the UNDROP special procedure at the UN Human Rights Council

session scheduled in March 2023. We call on our members to reach out to their national governments and convince them to send a clear signal to their Missions in Geneva in favour of a special procedure on UNDROP.

We have also advanced on many fronts. La Via Campesina members worldwide have brought UNDROP more to our bases and grassroots at the national and local level with direct actions, formations, and creation of UNDROP popular materials. We will continue our efforts to translate UNDROP and the popular materials into our local languages to understand and increase ownership of this crucial tool of struggle. We call our members, right-holders in rural areas, and our allies to continue to raise awareness and use UNDROP as a tool in their daily fights.

PEASANTS' RIGHTS, NOW!

FOOD SOVEREIGNTY, NOW!

GLOBALIZE THE STRUGGLE! GLOBALIZE HOPE!

#LVC30Years #NoFutureWithoutFoodSovereignty

## **ANNEX II: BIG PHARMA AND BIG TECH WIN AT THE WTO — #MC12 FAILS THE GLOBAL SOUTH**

22 JUNE 2022 | STATEMENT: FOCUS ON THE GLOBAL SOUTH  
(WWW.FOCUSWEB.ORG)

The outcome of the 12th Ministerial Meeting (MC12) of the World Trade Organisation (WTO) is a big win for rich countries, but a massive defeat for the global South. Developing countries incurred big losses in several negotiating areas, while issues of critical importance—especially in the face of the continuing COVID pandemic, accelerating climate change, and looming food and economic crises—were once again disregarded and set aside. In a clear breach of WTO procedures, draft texts agreed in exclusive ‘green rooms’ were rammed through in the early hours of 17 June without adequate time for all WTO delegations to study them. Negotiation and decision-making processes skewed in favour of wealthy countries is a persisting problem in WTO Ministerial Conferences. But they reached a new low at MC12 with inordinate pressure by the WTO Director General (DG) and wealthy countries to produce a semblance of success from a failing institution.

### **No waiver of TRIPS rules**

The text adopted on June 17 is not a waiver of TRIPS rules to increase access to COVID vaccines and medical tools. Despite worldwide support for a comprehensive TRIPS waiver from over one hundred countries, thousands of civil society organisations (CSOs) and health workers’ unions, the WTO shamefully sabotaged the possibility to save millions of lives in the developing world and hasten the end of the pandemic. Acting on behalf of the big pharma industry and rich countries, the WTO DG and Secretariat pushed a text that contains only a few clarifications and allows a limited five- year exemption for using compulsory licenses for export of only COVID-19 vaccines. These clarifications only restate existing flexibilities in the TRIPS agreement and none of them add any new benefits to developing countries.

### **Loss of Fisheries Subsidies**

The fisheries agreement text is a significant setback for developing countries. While the negotiating mandate recognizes special and differential treatment for developing and least developed countries, this principle was reduced to a two-year exemption from actions. This very short grace period means that subsidies provided by developing countries, including those to small-scale and artisanal fishers, would be subjected to WTO rules. The agreement also contains a loophole that would allow states to continue subsidising if these measures are implemented to rebuild fish stocks to a sustainable level. This carve-out favors developed country members such as the European Union, Japan and the US that have the necessary resources, and have been able to build up their industry infrastructure and systems due to long standing subsidy programs. Importantly, the fisheries agreement extends WTO disciplines into governance areas where it has neither institutional expertise, nor legitimate authority.

### **Food Security, Agriculture and Public Stockholding**

The Declaration on the Emergency Response to Food Insecurity offers nothing by way of tackling the structural and systemic causes of hunger and malnutrition; instead, it commits members to further liberalisation of trade in food and agriculture products through global markets and adherence to WTO disciplines. The Declaration’s preamble expresses “concern”

about the impacts of excessive price volatility for food and agricultural products, fiscal constraints and deteriorating terms of trade on food security, but then goes on to express “determination” to make progress towards a fair and market-oriented agricultural system.

A market-oriented agricultural trading system can hardly be fair when producers in wealthy and poor countries live in vastly unequal conditions, and when the terms of trade are skewed against small-scale food producers in developing countries by WTO rules that curtail their access to essential public infrastructure, support and services. Point 10 of the Declaration recognises the importance of domestic food stocks, but decisions regarding public stockholding programmes and public procurement that are important to developing countries have been kicked down the road yet again to the next Ministerial Conference.

Similarly, the Declaration on the WTO response to the COVID-19 pandemic and preparedness for future pandemics focuses on keeping global supply chains running unhindered through the WTO Trade Facilitation Agreement, and upholding WTO rules in the agreements on Services, Agriculture and TRIPS. Despite verbiage on public health and scientific capacity, the Declaration offers no decisions on rescinding intellectual property rights protection on products, production processes and services, and on technology transfer that are crucial for building robust public health systems and pandemic preparedness in developing countries.

### **Moratorium on E-Commerce Duties**

The continued extension of the moratorium on e-commerce duties is yet another big win for developed countries and the big tech industry. Developing countries have already lost billions in tax revenues since 1998 and yet another extension ensures that they continue to be relegated to the backwaters of digital industrialisation.

### **The Impossibility of WTO reform**

Critical issues of reform that are a priority for developing countries, namely operationalising special and differential treatment and the functioning of the dispute settlement system, have been sidelined and deferred once again. The reference to WTO reforms is a clear case of doublespeak, wherein submissions by developed countries sideline multilateralism and legitimize plurilateral clubs.

CSOs and social movements have raised concerns regarding new mechanisms that will bolster corporate control of WTO processes, the Joint Statement Initiatives (JSI) that undermine the Marrakesh Agreement and the multilateral basis of the WTO, and what is already unacceptable overreach of the organisation in areas such as health, food, gender, environment and sustainability. Provisions being discussed under e-commerce have implications for data systems that impinge on the domestic policy space and sovereignty of developing countries.

### **Conclusion**

A question that begs deeper reflection is why developing countries did not stand their ground in upholding the priorities of their peoples at a time of deepening crises. Clues to this can be found in the pernicious institutional culture that has been a hallmark of the WTO since its establishment in 1995. Practices of powerful countries resorting to arm-twisting, exclusion through the ‘green room’ processes, co-optation, and forum shopping both within and outside of the WTO are now well established through its chequered history and were demonstrated

once again at MC12. The push-through-agreements-at-all-costs approach that has been exhibited by the current WTO DG provides no confidence for the protection of developing country interests going forward.

South unity in the WTO has been progressively undermined by an increasingly fragmented agenda without any attention to guiding principles and rules—especially Special and Differential Treatment. The lack of unity and collapse of southern coalitions such as the Group of 33, African, Caribbean and Pacific (ACP), African Group, G-90 and G-20 were important factors that led to the bad outcomes at MC12. Upon her appointment by consensus in 2021, Director General Ngozi Okonjo-Iweala was expected to promote and protect the interests of the global South. Instead, she became the leading edge of an effort to bamboozle them to produce decisions in favor of the global North.

One of the biggest tragedies of the MC12 is that a failing institution that was on its last legs has been resurrected as an instrument of a more advanced and dangerous form of neoliberalism. Despite this adverse outcome, we will redouble our efforts with allies across the world to monitor the impacts of the WTO's dangerous agreements and intensify our campaign calling on developing countries to pursue avenues for economic and trade cooperation outside of the WTO's neoliberal free trade dogma. More than ever, we must raise our collective voice to demand the dismantling of the World Trade Organisation.

### **ANNEX III: INTERVENTION OF WALDEN BELLO AT THE 27 JUNE 2022 MEETING ON THE RESULTS OF MC 12 OF THE WORLD TRADE ORGANIZATION**

Thanks to Shalmali Guttal and Focus on the Global South for organizing this event. And thanks to all the panelists for agreeing to share their insights into the recently concluded Ministerial Conference of the WTO in Geneva.

Let me just make a few points regarding the outcomes of this meeting.

First of all, it was a strategic defeat for the global South. This was a massive setback in two ways. One, the decision on the TRIPS waiver, which was no waiver at all, has implications that go beyond Covid 19. It sets a precedent that the global North will invoke in dealing with future pandemics. They'll say, hey, we decided in MC 12 that you don't need a waiver, that there are enough "flexibilities" in TRIPs to meet contingencies. So it will make policies to promote public health and save lives in the global South more and more difficult to implement.

Second, beyond the specific decisions, the achievement of a "consensus" on the TRIPS non-waiver spelled reprieve for an organization that was on its last legs. Before MC 12, the WTO had been in a state of paralysis. It had not achieved consensus on anything for 20 years. The last time it came close to this was in December 2013, when a trade facilitation agreement appeared to have been forged at the Bali Summit. However, a few months later, India withdrew its provisional agreement because it wanted a permanent solution to the issue of food stockpiling, thus effectively scuttling the Bali deal.

Coming into MC 12, the WTO was one ministerial away from permanent paralysis. The "MC 12 Consensus" on the non-waiver saved it from that. The governments of the global North are now trumpeting the deal as something that shows that the WTO is no longer paralyzed, that it can be relied on once more to be an agent of trade liberalization.

Accounts of the events leading up to the Ministerial and at the Ministerial itself underlined that there was bullying on the part of the Director General (DG) and her close associates as well as by rich country representatives to get southern governments to approve unbalanced texts. Apparently, the key threat wielded by the DG was that if the Ministerial did not come out with a consensual decision and the WTO lapsed into permanent paralysis, the developing country governments would take the blame.

The developing country governments were at the brink of liberation from the constraints on their policy space for development, but they shrank back from making the final leap and agreed to a declaration that was totally against their interests.

My sense is that the Ministerial outcome revealed the true intent of why the Director General was advanced as a candidate for the position in 2020. As a former Managing Director at the World Bank and as former Finance Minister of Nigeria, she was an ideal candidate to "save" the WTO as an agent of trade liberalization after the resignation of Roberto Azevedo as DG. It was mainly the global North governments that brought her in, and the global South governments were persuaded she was a good choice because at that time the US under Trump was holding out for a candidate from South Korea that Washington felt would be more

congenial to its interests. Over the last two years, it's become clearer why she was brought in, and this has been to discipline the governments of the global South and save the agency as a promoter of rich country interests.

If you ask me, the DG has shown she is inimical to the interests of the global South, and she should be asked to resign.

Finally, let me say a few words about the role of the United States at the WTO, since that has been a source of confusion.

Ever since the collapse of the 2003 Cancun Ministerial, the US has become less and less reliant on the WTO as an agent of trade liberalization and become more and more unilateral in its trade initiatives. In 2016, the Obama administration plunged the WTO Appeals Court, the centerpiece of the Dispute Settlement Mechanism (DSU), into paralysis by ousting a Korean judge that Washington felt was biased against its interests in the judgments he rendered in four key decisions. The Trump administration continued Washington's policy of vetoing judges, so that by December 2019, with only one functioning judge, the Appeals Court was non-functional. This meant that the WTO's DSU had no more teeth.

Since the Biden administration came to power in 2021, it has not ended Trump's policy of vetoing judges.

Why did the US become so ambivalent about the WTO? There were two key reasons for this. First, contrary to what it initially expected after the founding of the WTO, it felt it had gained nothing of value from membership in an organization where the global South was increasingly organizing effectively to protect its interests. Second, Washington felt that the country that had gained the most from WTO membership was China, for whom membership was decisive in opening up markets.

What does all this mean? I think that with the affirmation by the Biden administration of Trump's defining of China as Washington's strategic rival, the WTO will increasingly become an arena for the playing out of the "New Cold War" between Beijing and Washington. An indication of Washington's aggressive approach was US Trade Representative Katherine Tai's wanting (according to reports) to explicitly mention China as a country to be banned from exploiting TRIPs 'flexibilities' in the Ministerial Decision. More broadly, Treasury Secretary Janet Yellen has indicated that US Trade Policy is moving towards something called "friendshoring" in its trade and other international economic policies, meaning favouring countries that combine neoliberal economic policies with "pro-democratic" domestic politics.

Anyway, the global South should prepare for this aggressive push of Washington to politicize global trade relations in relation to its competition with China and to take advantage of this competition to push its interests.

In conclusion, let me just say that MC 12 proved once more that we in civil society have been saying for a long time: that the WTO is inimical to the interests of developing countries. There is nothing to be gained by playing a "positive role" in it. The agenda of developing countries should be to prevent it from functioning as a global trade body, to contribute to eroding its credibility as an institution.

Thank you.