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Title: The Minister of State of the Ministry of Commerce and Industry laid a statement regarding India's stand in WTO.

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): Madam Speaker, I am making this intervention in the House today in order to place before the Hon'ble Members the details of the position taken by India at the Tenth Ministerial Conference of the World Trade Organization. (WTO).

The Ministerial Conference was held in Nairobi, Kenya from 15 to 19 December 2015. This was the first such meeting to be hosted by an African nation. This also happened to be the 20<sup>th</sup> anniversary of the WTO and during the conference its achievements were recalled by all members.

The outcomes of the Conference, referred to as the 'Nairobi Package' contains Ministerial Decisions on agriculture, cotton and issues related to least developed countries (LDCs). These cover public stockholding for food security purposes Special Safeguard Mechanism (SSM) for developing countries, a commitment to abolish export subsidies for farm exports particularly from the developed countries and measures related to cotton. Decisions were also made regarding preferential treatment to LDCs in the area of services and the criteria for determining whether exports from LDCs may benefit from trade preferences.

An important issue that was discussed at the Conference was the future of the Doha Round of trade negotiations which began in 2001 and remains unfinished. India took the stand that the Doha Development Agenda (DDA) must continue after the Nairobi Conference and no new issues must be introduced into the WTO agenda until the DDA has been completed. The DDA was launched as a development Round to benefit a large number of developing countries and LDCs. It seeks to place the needs of developing countries, including LDCs, at the centre of negotiations. This position has the support of a large number of countries, including the G33, the Arab Group and the LDCs.

A few developed countries, including the United States, however, are opposed to the continuation of the Doha Round. The Nairobi Ministerial Declaration acknowledges that members "have different views" on how to address the future of the Doha Round negotiations but noted the "strong commitment of all Members to advance negotiations on the remaining Doha issues."

India not only made a statement to this effect at the closing ceremony on 19 December 2015 but also made a written submission to the Director General, WTO and the Chair of the Tenth Ministerial Conference, the Kenyan foreign minister. The Ministerial Declaration records that WTO work would maintain development at its centre. It also reaffirms that provisions for special and differential treatment shall remain integral.

As regards the introduction of other new issues for discussion, the Declaration acknowledges the differences in views and states that any decision to launch negotiations multilaterally on such issues would need to be agreed by all Members.

As the future of the Doha Round appeared in doubt, India sought and succeeded in obtaining a re-affirmative Ministerial Decision on Public Stockholding for Food Security Purposes honouring both the Bali Ministerial and General Council Decisions. The decision commits members to engage constructively in finding a permanent solution to this issue.

Similarly, a large group of developing countries has long been seeking a Special Safeguard Mechanism (SSM) for agricultural products. In order to ensure that this issue remains on the agenda of future discussion in the WTO, India negotiated a Ministerial Decision which recognizes that developing countries will have the right to have recourse to an SSM as envisaged in the mandate. Members will continue to negotiate the mechanism in dedicated sessions of the Committee on Agriculture in Special Session. The WTO General Council has been mandated to regularly review progress of these negotiations.

All countries agreed to the elimination of agricultural export subsidies subject to the preservation of special and differential treatment for developing countries such as a longer phase-out period for transportation and marketing export subsidies for exporting agricultural products.

Developed countries have committed to removing export subsidies immediately, except for a few agricultural products, and developing countries will do so by 2018. Developing countries will keep the flexibility to cover marketing and transport subsidies for agriculture exports until the end of 2023, and the LDCs and net food-importing developing countries would have additional time to cut such export subsidies.

The Ministerial Decision contains disciplines to ensure that other export policies are not used as a disguised form of subsidies. These disciplines include terms to limit the benefits of financing support to agriculture exporters, rules on state enterprises engaging in agriculture trade, and disciplines to ensure that food aid does not negatively affect domestic production. Developing countries, such as India, are given longer time to implement these rules.

One of the Decisions adopted extends the relevant provision to prevent 'evergreening' of patents in the pharmaceuticals sector to ensure accessibility and affordability of generic medicines. This decision would help immensely in maintaining affordable as well as accessible supply of generic medicines.

India supported outcomes on issues of interest to LDCs including enhanced preferential rules of origin for LDCs and preferential treatment for LDC services providers.

India already offers duty-free, quota-free access scheme to all LDCs, which provides a comprehensive coverage with simple, transparent and liberal rules of origin.

India has also recently made available substantial and commercially meaningful preferences in services to LDCs and relevant benefits have been notified.

In another area under negotiation, namely, rules on fisheries subsidies, India argued strongly for special and differential treatment. As regards

rules on Anti-dumping, India strongly opposed a proposal that would give greater power to the WTO's Anti-Dumping Committee to review Members' practices. There was no convergence in these two areas and, hence, no outcome and, therefore, interests of Indian fishermen have been adequately protected.

At the Ministerial Conference, a group of 53 WTO members, including both developed and developing countries, agreed on the timetable for implementing a deal to eliminate tariffs on 201 Information Technology products. Duty-free market access to the markets of the members eliminating tariffs on these products will be available to all WTO members. However, India is not a party to this Agreement.

India negotiated hard to ensure that the WTO continues to place the interests of developing countries and the LDCs at the centre of its agenda.

**12.12 hours**

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