



22.9.2022

MISSION REPORT

following the Ad-hoc delegation 12th WTO Ministerial Conference, Geneva, Switzerland, 12 to 15 June 2022

Committee on International Trade

Members of the mission:

Bernd Lange

(S&D) (Co-Chair of the Steering Group of PCWTO)

Jörgen Warborn

(PPE) (Co-chair of the Steering Group of PCWTO)

Javier Moreno Sánchez

(S&D)

Margarida Marques

(S&D)

Marie Pierre Vedrenne

(Renew)

Samira Rafaela

(Renew)

Geert Bourgeois

(ECR)

Helmut Scholz

(The Left)

Introduction

An eight-member delegation attended the WTO 12th Ministerial Conference (MC12) from 12-15 June 2022, in Geneva, Switzerland. This was the first time WTO trade ministers met since 2017. MC12 was originally scheduled for December 2020 in Nur-Sultan, Kazakhstan, but due to the pandemic, had to be rescheduled twice. The conference took place in a difficult situation, with global trade tensions and a food security crisis caused by the Russian war of aggression against Ukraine, which also limited the negotiating function of the WTO. Despite unprecedented challenges, Ministers succeeded - after extending the conference by two days (from 12 June until 17 June instead of originally envisaged 15 June), and negotiating well into the nights - in clinching important concrete outcomes in response to major global challenges, such as the protection of the oceans and equitable access to vaccines.

Throughout the mission, INTA Members had the opportunity to follow and discuss the broad spectrum of issues under negotiation via highest level of first-hand contacts such as the WTO Director-General, EU Commissioners, Trade Ministers of third countries and other negotiators. It allowed to experience both the profound divergences between different WTO members as well as EU's leadership and willingness to find compromises, which in the end led to several concrete and meaningful results.

The European Parliament has attended all WTO Ministerial Conferences since 2003, and on numerous occasions organised a Parliamentary Conference on WTO (PCWTO) in conjunction with the Ministerial Conference. Unfortunately organising a full Parliamentary Conference was not possible this time, due to limitations imposed by the pandemic, but also the lack of a hosting parliament in Geneva. The mission included, however, a meeting of the Steering Committee of PCWTO, where members adopted a statement with a strong support for the multilateral trading system, stressing the need to achieve concrete results. Through close cooperation with the WTO Secretariat, MEPs managed to hand over the statement in person to the WTO Director-General Ngozi Okonjo-Iweala.

The delegation also held a series of insightful meetings with Trade Ministers from Ukraine, Japan, Taiwan, Bangladesh, Australia, Mexico, Vietnam and Singapore, which gave the opportunity to discuss key developments and to consolidate bilateral relationships, including in view of upcoming INTA missions (Bangladesh in July, Australia-New Zealand in September, Taiwan in December.)

Main issues

Outcome of MC12

The package of agreements secured at MC12 was surprising in its breadth, even if compromises were necessary, and therefore, in some areas less ambitious than originally proposed. However, the perspective of reaching any agreement ahead of MC12 was very gloomy, and the outcome can therefore be seen as a success. The agreements reached on fisheries subsidies, the WTO response to the pandemic, food insecurity, WTO reform, e-commerce and other issues was a welcome demonstration that the multilateral trading system can respond to some of the most pressing challenges of our time.

a) Fisheries subsidies

Negotiations on the Agreement on Fisheries Subsidies have been ongoing for more than 20 years, and are specifically mandated in SDG 14.6. The agreement reached sets new global rules to curb harmful subsidies and protect global fish stocks in a manner that also recognizes the needs of fishers in developing and least-developed countries (LDCs). It is the first WTO agreement to place environmental sustainability at its core. The agreement prohibits support for illegal, unreported and unregulated (IUU) fishing. It bans support for fishing in overfished stocks, and takes a first but significant step forward to curb subsidies for overcapacity and overfishing by ending subsidies for fishing on the unregulated high seas. Negotiations will continue on how to further curb certain subsidies that contribute to overcapacity and overfishing.

The Agreement enters into force upon acceptance of its legal instrument by two-thirds of the membership, and will require ratification by the European Parliament.

b) WTO response to the pandemic, including intellectual property (IP) response

MC12 adopted a [Ministerial Declaration](#) on the WTO response to the current and future pandemics. This includes a [waiver](#) of certain requirements under the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) concerning the use of compulsory licences to produce COVID-19 vaccines, which was subject of intense debate in the run-up to MC12, and where the EU came to play a key role.

The Ministerial Decision on the TRIPS Agreement provides a platform for members to work together to diversify vaccine production capacity and to override the exclusive effect of patents, through a targeted waiver that addresses specific problems identified during the pandemic, especially facilitating and streamlining vaccine exports. Negotiations are continuing, as no later than December 2022, there should be a decision on whether to extend the waiver to cover the production and supply of COVID-19 diagnostics and therapeutics.

While all developing country members can benefit from the decision, developing country members with existing COVID-19 vaccine manufacturing capacity (in particular China) are encouraged to opt out.

c) Food security

The MC12 outcome package included a [Ministerial Declaration](#) on the emergency response to food insecurity and a [Ministerial Decision](#) on exempting World Food Programme (WFP) humanitarian food purchases from export prohibitions or restrictions. Both respond to demands from the international community for immediate action by WTO members to address food shortages and soaring food prices and ensure that the most vulnerable can access emergency food aid.

d) WTO reform

Ministers committed to undertake a comprehensive review of the WTO's functions and to work towards reform of the organization to improve all its functions through an open, transparent and inclusive process. In particular, there should be a proposal on the WTO's dispute settlement system with the view to securing a fully functioning system by 2024. The review will be carried out through the WTO's General Council and its subsidiary bodies, with the goal of submitting possible reform proposals to the 13th Ministerial Conference (MC13).

e) e-commerce work programme and moratorium

The [Ministerial Decision](#) on the Work Programme on electronic commerce, prolonged the current practice of not imposing customs duties on electronic transmissions, an important aspect in a digital economy. The moratorium will remain in effect until MC13.

Ukraine

Russia's invasion of Ukraine profoundly affected negotiations ahead of MC12, as many WTO members refused to negotiate with Russia being present in the room. In the end, there were possibilities to work around this, while there were still decisions, such as the declaration on trade and gender, which were not adopted in this context, as they would have required signatures of all supporting members.

The situation in Ukraine was present at MC12 in many ways. EU hosted a side event in support of Ukraine ahead of the opening on 12 June. 57 WTO members, including the EU and its Member States, then signed a joint statement expressing solidarity with Ukraine and addressing the consequences of the war on international trade. The European Parliament delegation had the opportunity to meet with Taras Kachka, Trade Representative of Ukraine, and discuss newly adopted measures, as well as issues of food security and challenges for Ukrainian agricultural production and exports.

Parliamentary Dimension

The EP delegation engaged on the parliamentary dimension of the WTO at the meeting of the Steering Committee of the PCWTO and managed to adopt a very constructive joint statement, including strong language in relation to Ukraine. The delegation managed to increase the visibility of the European Parliament at a key moment for multilateral trade, through the hand-over in person of the statement adopted to WTO's Director-General Ngozi Okonjo-Iweala, which was also highlighted on the website of the WTO.

Bilateral meetings

The bilateral meetings with Trade Ministers from Ukraine, Japan, Taiwan, Bangladesh, Australia, Mexico, Vietnam and Singapore allowed MEPs to better understand different perspectives (developed and developing countries, regional differences etc) to the issues at stake, and also to engage on bilateral issues and establish useful contacts. On multilateral aspects, Members stressed the need for a concrete outcome to the MC12 to safeguard WTO credibility.

A meeting with delegation of senior US Congress staffers from House Ways & Means and Senate Finance Committees, who expressed clearly positions about their expectations from the MC12, gave the MEPs insight on where the US stand vis-à-vis multilateralism and the WTO, in particular in relation to the TRIPS waiver and dispute settlement reform.

Conclusions and follow-up

The positive outcome at MC12 has indisputably injected new energy into the WTO, but will require further efforts to take full effect. In some cases, because negotiations will have to continue (WTO reform, TRIPS, agriculture). Others, such as the agreement on fisheries subsidies, require ratification procedures to be launched, as two-thirds of the WTO Members will have to ratify the agreement before it can enter into force. In the case of the EU, consent by the European Parliament is required.

The European Parliament has been a staunch advocate for the multilateral agenda as evidenced



by its attendance at WTO Ministerial Conferences and co-organisation with the EU Parliamentary Conferences on WTO over the years. The consistent and regular work done over all these years, clearly makes the presence of Members of European Parliament more efficient and valuable, and provides an opportunity for them to actively take part and feed in to the process.

While the multilateral agenda is the main purpose of the presence, the Ministerial Conferences also offer an invaluable opportunity to meet with all different actors in the trade field, as shown by the numbers of bilateral meetings that took place.

Follow up to the mission include:

- Continued discussion in Committee on the follow-up to the outcome of MC12.
- Continued preparations for a joint panel at the WTO Public Forum (27-30 September 2022), as well as for 50th Session of the PCWTO Steering Committee meeting, including developing proposals for strengthening exchange of good practices for parliamentary scrutiny of trade policies.
- Continued reflections on how to further strengthen the parliamentary dimension of the WTO in the context of the now launched WTO reform process.

Annex: Final programme
 EP press release ahead of the delegation visit
 WTO press release on encounter with Director-General

Secretariat of the Committee on International Trade

12th WTO Ministerial Conference

12 to 15 June 2022, Geneva

PROGRAMME OF EP DELEGATION

Sunday, 12 June 2022

14.30	Departure for Opening session
15.00-16.00	MC 12 Plenary - Opening Ceremony

Monday, 13 June 2022

9.30-10.00	Briefing by the Commission
11.00-12.00	Meeting with Council Presidency, Muriel Lacoue-Labarthe, Deputy Director general of the French Treasury, Chair of the TPC full members
12.30-13.30	Meeting with Taras Kachka, Trade Representative of Ukraine
14.00-16.30	Meeting of the Steering Committee of the Parliamentary Conference on the WTO
16.30-17.30	Working dinner hosted by the European Parliament
18.00-18.30	Meeting with Kenichi Hosoda, State Minister of Economy, Trade and Industry, and with Arata Takebe, State Minister of Agriculture, Forestry and Fisheries, Japan

Tuesday, 14 June 2022

8.30-9.30	Meeting with Minister Mr. John Chen-Chung Deng, Taiwan
10.15-11.00	Meeting with Tipu Munshi, Minister for Commerce, Bangladesh
11.15-12.00	Meeting with US Congressional Staff Delegation
12.30-13.00	Meeting with Ambassador Gloria Abraham Peralta, Chair of the Committee on Agriculture in Special Session
14.30-15.15	Meeting with Don Farrell, Minister for Trade and Tourism, Australia
17.00-18.00	Briefing by the Commission

Wednesday, 15 June 2022

8.30-9.00	Meeting with Luz María de la Mora, Vice-Minister of Foreign Trade, Mexico
10.00-10.45	Meeting with Nguyen Hong Dien, Minister for Industry and Trade, Vietnam
14.00-15.00	Meeting with Jane Lim, Deputy Minister for Trade and Industry, Singapore
16.00-17.00	Briefing by the Commission
PM	<i>Departures</i>

MEPs to urge agreements and reform during the WTO ministerial meeting

Press Releases

[INTA](#)

10-06-2022 - 10:01

A delegation of MEPs will be pushing for strong multilateralism at the seat of the World Trade Organisation (WTO) in Geneva on 12-15 June.

An eight-member delegation of the [Committee on International Trade](#) will urge the [12th ministerial conference of the WTO](#) (MC12), assembling for its first decision-making session since 2018, to reach multilateral agreements at least on the prohibition of unsustainable fisheries subsidies, on the pandemic response and on an agricultural package. They will also argue with decision makers for a settlement on a process of WTO reform that should result, among others, in a fully functioning dispute settlement system by the time of the next ministerial gathering.

Meeting of the Parliamentary Conference on WTO

MEPs will take part at the Parliamentary Conference on the WTO (PCWTO), a meeting of deputies co-organised by the European Parliament, on 13 June. The body is expected to stress that multilateralism remains the best approach for handling international trade relations. Its participants are also expected to draw attention to the global impact of Russia's war on Ukraine,

At the sidelines of the ministerial conference, the delegation will also discuss with, among others, ministers of Ukraine, Bangladesh, Mexico and New Zealand.

The members of the delegation

[Bernd Lange](#) (S&D, DE), Co-chair of the Steering Group of PCWTO

[Jürgen Warborn](#) (EPP, SE) Co-chair of the Steering Group of PCWTO

[Margarida Marques](#) (S&D, PT)

[Javier Moreno Sánchez](#) (S&D, ES)

[Marie-Pierre Vedrenne](#) (Renew Europe, FR)

[Samira Rafaela](#) (Renew Europe, NL)

[Geert Bourgeois](#) (ECR, BE)

[Helmut Scholz](#) (The Left, DE)

Quotes

“While the WTO was already in dire straits before Russia's war against Ukraine, this aggression makes it even more difficult to reach concrete outcomes. At the same time, this war should strengthen all of us in our belief that we need more multilateralism instead of less. Our EP delegation will underscore this message: there is no alternative to the WTO, so we need some results at MC12 to reinforce the rules-based system,” said **Bernd Lange**, the Chair of the International Trade Committee and Co-chair of the Steering Group of PCWTO.

“I will always prioritise an open and rule-based multilateral trading system. A fully functioning and effective WTO dispute settlement is key for international trade and global stability. WTO members need to commit to the binding, two-tier and independent nature of the system, which means solving the crisis in the Appellate Body. The European Parliament sees the opportunity for WTO to address this challenge at MC12,” said **Jürgen Warborn**, Co-chair of the Steering Group of PCWTO.

Background

The European Parliament has been calling for the reform of the functioning of the WTO already since [2008](#), stating that advancement on negotiations have been impossible for years due to the inflexibility of the system. Most recently, Parliament laid out its expectations from the [reform in a report](#) in 2021, prior to the pandemic-related cancellation of the 12th ministerial meeting. Since then, it has also formulated its stance on a [potential waiver agreement](#) on COVID-19 vaccines.

Parliamentarians show strong support for WTO and role of multilateral trading system

A delegation of parliamentarians presented Director-General Ngozi Okonjo-Iweala with a statement today (14 June) expressing strong support for the multilateral trading system and calling for the 12th Ministerial Conference (MC12) to act as a starting point for modernizing the WTO. The statement was submitted to the DG by MEP Bernd Lange, Co-Chair of the Steering Committee of the Parliamentary Conference on the WTO, who was accompanied by three other members of the Committee.



DG Okonjo-Iweala receives a statement in support of the WTO from MEPs (left to right) Margarida Marques, Samira Rafaela, Bernd Lange and Marie-Pierre Vedrenne

The statement underlines that “MC12 can offer a great opportunity to reinstate trust in the multilateral trading system and should be the starting point for modernizing and reforming the WTO to ensure it can play a role in addressing the challenges of the 21st century, including issues such as climate change and sustainability and in particular today, global food security.”

The statement results from discussions among parliamentarians from various countries within the framework of the Steering Committee of the Parliamentary Conference on the WTO. The Committee met on 13 June in Geneva to discuss the role of the WTO and the challenges facing world trade. It was briefed by the WTO Secretariat on the state of play in trade negotiations and on the topics for discussion at MC12.

The Parliamentary Conference is a joint endeavour of the Inter-Parliamentary Union (IPU) and the European Parliament (EP). The Steering Committee of the Parliamentary Conference meets twice a year in Geneva and Brussels and consists of around 30 parliamentarians from various countries. The statement is available [here](#).

