

## MC11 Ends with Nothing for Africa

Africa returned home from the Eleventh Ministerial Conference (MC11) of the World Trade Organisation (WTO) without getting any of what it tabled. The conference which ended on the 13<sup>th</sup> of December 2017 in the Argentine capital, Buenos Aires, failed again to address the longstanding demands of Africa which were mandated in the Doha Work Programme sixteen years ago.

In fact, the whole conference was a fiasco except the decision on the adoption of guidelines for future work on fisheries subsidies and the almost-automatic renewal of two moratoria-one on electronic transmission duties and the other on non-violation and situation complaints of the Intellectual Property Rights (TRIPS) Agreement of the WTO. The former allows goods to be imported electronically without duties charged on them. The latter allows, for example, government to take measures of public interest such as issuance of compulsory licenses on health grounds, enforcing proper packaging on harmful products, among others, without being challenged at the WTO even if the measures are consistent with TRIPS obligations.

Drawing the curtain to a close, the Conference Chair, Minister Susan Malcorra of Argentina, summarized the outcome of the Ministerial Conference as a decision on fisheries subsidies, renewal of the [moratorium](#) on electronic transmission duties as well as [moratorium](#) on Non-Violation and Situation Complaints of the Intellectual Property Rights Agreement. There was no progress in the area of agriculture and development issues which have been the thrust of Africa's demands over the years.

Prior to the official opening of MC11, Africa Trade Ministers met to tighten up their stance and reiterated Africa's position. The Africa Group, just like in previous Ministerial conferences, called on the WTO to demonstrate real commitment to its purported stance for development. A summary of the demands would be useful.

First and foremost, the Group called for the systemic imbalances in the WTO to be addressed. For instance, a call was made to address the imbalance in the Agreement on Agriculture, which allows huge domestic support by developed countries leading to artificial lowering of prices of agriculture commodities in the global markets and wreaking havoc on African producers.

Secondly, demand for permanent solution for Public Stocking Holding (PSH) that would allow African countries as well as other developing countries to buy food for security purposes was tabled. In 2013, at the ninth Ministerial conference, a stop-gap compromise in the form of a Peace Clause was reached at as insulation for countries from being hauled before the WTO Dispute Settlement Body (DSB) for programmes that were in place before the ninth Ministerial in Bali, Indonesia. since then, no permanent solution has been reached.

Thirdly, the Group also called for an effective, easy-to-use Special Safeguard Mechanism (SSM) as a trade remedy instrument to protect farmers from import surges and low-priced imports. Unlike most African countries, most of the major developed countries have access to Special Safeguard Provision (SSG) that allows these countries, despite all the huge subsidies, also to regulate influx of imports. Its invocation is also automatic. This was obtained in the Agreement on Agriculture, adopted during the Uruguay Round-The Round of Negotiations leading up to the establishment of the WTO.

Again, African Ministers argued that the ultimate aim of the WTO was not to promote free trade just for the sake of it, but rather to foster economic development paying attention to the demands of those members most in need. Africa is confronted with the challenge of structural economic transformation. Hence the Ministers called for real special and differential treatment (S&DT) to support Africa's structural economic transformation.

In spite of all these realistic demands, the developed countries showed blatant disregard for all. The US, for instance, regrettably, blocked any possible progress in the area of agriculture and any multilateral outcome. Reacting immediately after the Ministerial, the US Trade Representative said, "We are proud to defend the interests of U.S. stakeholders at the WTO, including our farmers and ranchers, who need a result on agriculture that is based on the realities of today"

Instead they went all out to attempt to introduce corporate-driven agenda masquerading as e-commerce, investment facilitation, Micro-Small and Medium Enterprises (MSMEs) and domestic regulation in services. For instance, developed countries demanded any measure in the area of domestic regulation must be published to ensure 'transparency' and allow entities to comment and their interest taken into account. Also, the measure must be based on 'objective criteria', and be 'reasonable'. The same thread runs through the other new issues.

Fortunately, the Africa Group stood its ground against any outcome on the so-called 21<sup>st</sup> century issues. In fact, reacting to the outcome of the conference, an African delegate, who preferred not to be mentioned, said that, they had stopped intrusive rules to happen through e-commerce, investment facilitation, MSMEs and Domestic Regulation.

'This is the lesson that our negotiators and policy makers should learn for our future negotiations and policy-making. All Africa's positions on new issues including on domestic regulation have been adopted by this conference. But rich countries continue to have policy space to distort international agriculture market' the same delegate continued.

Also, another African delegate said 'the outcome of the MC11 could be viewed in two ways. We did not accept any further onerous obligations, but we did not also get any of our offensive interests'.

This attracted praise from African CSOs at MC11. Worthy of note was the commendation by the Director of SEATINI-Uganda, Ms. Jane Nalunga who said 'The stand made by the Africa Group in MC 11 talks by slowing down the juggernaut is a step to bringing development at the core of the WTO work and talks'.

Frustrated by the negotiations on issues of interests to them-the so-called 21<sup>st</sup> century issues-the developed countries as well as some developing countries have turned to plurilateral initiatives.

With no tangible outcome for Africa at the end of yet another Ministerial conference, it is time for Africa to assess not only the benefits but also the contribution of the Multilateral system in tackling Africa's development challenges.

By Sylvester Bagooro, TWN-Africa email: [sbagooro@twnafrica.org](mailto:sbagooro@twnafrica.org)