

**India's Statement at Trade Negotiations Committee meeting at the level of
Heads of Delegations held on 24th October 2017 and
at the General Council meeting held on 26th October 2017**

1. Thank you, DG for convening this informal meeting of the TNC and for your report and assessment as the Chair of the TNC.
2. We also thank the Chairs of the Negotiating Groups for their comprehensive reports.
3. At the outset, my delegation associates itself with the statement of the G33 to be delivered by Indonesia.
4. We are very close to MC11 and there is an urgent need to work towards convergence on various issues, particularly the ones on which we have prior Ministerial mandates. India, along with a large part of the membership, continues to believe that implementation of Ministerial Decisions with development at the centre is the only way forward.
5. In this context, I would like to enumerate India's priorities, particularly in the area of agriculture where the imbalances are particularly pronounced.

Public Stockholding

6. There is a clear mandate for a permanent solution on Public Stockholding (PSH) for food security purposes by December 2017. It is a Ministerial mandate that we must fulfil, without any linkage to agricultural domestic support.
7. This is an issue of great importance to a large number of developing countries. An outcome on PSH will signal the WTO's commitment to UN Sustainable Development Goal 2 to end hunger and achieve food security.
8. We are concerned, however, that the focus on issues such as transparency and safeguards, is diverting us from the fundamental goal of food security. The provisions on transparency and safeguards in the proposals on the table are disproportionately stringent and would make it almost impossible to use the permanent solution. The membership must recognize that the permanent solution needs to be a visible improvement on the perpetual peace clause.
9. We are also concerned at the insistence by some members that a PSH outcome is linked to agricultural domestic support. Let me emphasize that the mandate on this is absolutely clear, there is no linkage and the two issues have to be kept on separate tracks. Any efforts to foster such a linkage will, we believe, have serious consequences including jeopardising MC-XI outcomes. As far as the substance of the permanent solution is concerned, the G33 remains open, flexible and willing to engage on all elements.

Domestic Support

10. The Agreement on Agriculture is skewed in favour of a few developed members and provides considerable space and flexibility for them to provide subsidies and further, to concentrate subsidies on a few products. This is an important issue and must be addressed. However, we are too far from convergence for an outcome on this at MC11. Some of the proposals may in fact further widen and perpetuate the imbalance between developed and developing countries. A post-MC11 work programme appears to be the best way forward. The boundaries of this discussion must be clear. Any meaningful reform in agriculture must first seek to reduce the disproportionately large subsidies of the developed countries and further, there must be no dilution of the special and differential treatment provisions.
11. We must begin by first eliminating the most trade-distorting forms of agricultural subsidies, namely, AMS. Our joint submission with China (JOB/AG/102) and the ACP proposal (JOB/AG/112) both address this aspect. Proposals that not only expect developing countries to share the burden but also reduce the S&D element, are not acceptable to us.

Special Safeguard Mechanism (SSM)

12. The G33 has been engaging constructively through its successive submissions on the SSM. We must address this issue with utmost seriousness.

Cotton

13. We also support elimination of AMS on cotton, while retaining the existing *de minimis* limits of developing countries.

Development

14. Special and differential treatment for developing countries is a very important part of the WTO's mandate and must be preserved. We are willing to engage on proposals that recognize this right for all developing countries without exception. We will resist any effort now or in the future to alter this principle which is part of the basic structure of WTO.

Fisheries Subsidies

15. With regard to disciplines on fisheries subsidies, India is willing to work constructively towards a successful outcome. However, for a developing country like India where a large number of small, largely resource poor fish workers depend on traditional fishing activity as a source of livelihood, suitable special and differential treatment provisions would need to be built in while framing disciplines. Developing countries have limited capacity and resources and must be able to retain policy space for these. Needless to say that disciplines on fisheries subsidies can be part of a package along with other mandated issues.

Services Trade

16. We have constructively engaged with proponents on development of DR disciplines in accordance with the letter and spirit of the GATS, during the recently concluded WPDR meeting. In addition to the wide divergence of views on DR among the membership, addressing DR issues in isolation will have little or no impact on trade in services, unless there is an effort to address facilitation right from the point of entry of a service supplier. Our initiative on Trade Facilitation in Services (TFS) was intended as a means for comprehensively addressing 'at' and 'within-the-border' barriers to services trade, and we propose this could be considered for a detailed and well-structured work programme post MC-11.

New Issues

17. Mr. Chair, we would like to reiterate our concerns on issues such as E-commerce and Investment Facilitation.
18. We strongly feel that the gains from E-commerce should not be confused with the likely benefits of rulemaking in E-commerce. The proposals on the table would not lead to growth of E-commerce but would, instead, prevent companies in developing members from growing to compete with global giants by freezing the existing non-level playing field permanently against their interests. We, therefore, see merit in continuing with the existing work programme and the bottom up approach. We remain open to any exploratory discussion in the relevant WTO bodies as per the existing mandate. We do not support setting up a new horizontal Working Group which could result in a top down approach. As regards the need for a locus to discuss all cross cutting issues, the GC is already mandated to do so.
19. On moratorium on electronic transmission, we can agree to its extension for another two years subject to a similar renewal of moratorium on TRIPS non-violation and situation complaints.
20. Since investment policies of many member countries are still evolving, at this stage, it would be premature to frame multilateral disciplines on Investment Facilitation. As you are all aware, India is of the view that investment issues are outside the WTO mandate.

Dispute Settlement Body (DSB)

21. Like other members we are also concerned about the inordinate delay in initiating the selection process for appointment of appellate members. The continued impasse could have major consequences for the credibility of the system. In this regard, India believes that any systemic issue raised by any member could be dealt with separately and there should be no linkage with the selection process of the appellate body members which can affect the

effectiveness, autonomy and impartiality of the dispute settlement mechanism, a key pillar of the WTO.

Conclusion

22. To conclude Mr. Chairman, I would like to reemphasize that India cannot envisage an outcome at Buenos Aires which does not include a satisfactory solution on PSH. We wish to highlight that given the constraints of time we must engage constructively with a sense of urgency to fulfil the Ministerial mandate.
23. Any attempts to introduce new issues at the cost of development would only deepen the divide in the membership and undermine the credibility of this organisation.
24. We would also like to reiterate that the process in Geneva over these last few weeks and at MC11 must be transparent and inclusive. Only issues which have matured for conclusion should be taken forward to the Ministerial Conference.
25. Chair let me also assure you that India stands committed to strengthening multilateralism and constructively engage in discussions on all areas of work in the WTO.
