Discussion Paper

Unpacking the Bali Package

A Snapshot of the Bali Ministerial Decisions of the WTO Members

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Executive Summary

After years of uncompromising stances that continuously culminated in collapsed negotiations and less than optimum outcomes, the Bali Ministerial marked the first substantive breakthrough for the WTO since the launch of the Doha Round in 2001. In December 2013, the multilateral trading system was resuscitated when the members of the WTO agreed on a package that included three important issues under the Doha Development Agenda (DDA): trade facilitation, some agriculture issues including public stockholding for food security measures, and development and least-developed country issues.

Not only did the agreement serve to restore faith in a system that many had begun to be viewed as defunct, the package also paved the way for the implementation of multilateral trade rules that are expected to have large benefits for the global economy. With estimates of export gains from the trade facilitation agreement ranging at around one trillion dollars, this ministerial conference has been lauded as the first concrete step towards the conclusion of the Doha Round.

The paper aims to serve as a precursor to identifying the challenges that countries may face in implementing the Bali Package by giving a brief history of each pillar, identifying what the possible next steps of each ministerial decision might be and by providing a brief assessment of how this decision could affect various other stakeholders, especially consumers. Given the increasing impact that international trade regulations are having on individuals who fall outside the gamut of producers, it is important to include other stakeholders in the analysis. One of the weaknesses of today's trading system is that while it asserts to put public interest first, the views of citizens and consumers do not carry the same weight as that of producers and there is relatively little attention given to the effects that these would have on consumers.

While this paper highlights some of the impacts that these decisions will have on consumers, it does not attempt to provide a comprehensive analysis on the issue. The consumer perspectives provided are indeed very general and are meant to serve as a precursor for further research in this area.

Introduction

After years of uncompromising stances that continuously culminated in collapsed negotiations and less than optimum outcomes, the Bali Ministerial marked the first substantive breakthrough for the WTO since the launch of the Doha Round in 2001. In December 2013, the multilateral trading system was resuscitated when the members of the WTO agreed on a package that included few important issues under the Doha Development Agenda (DDA), though not the whole contentious package. Not only did the agreement serve to restore faith in a system that many had begun to view as in a coma, the package also paved the way for the implementation of some multilateral trade rules that are expected to have large benefits for the global economy. With estimates of export gains ranging at around one trillion dollars, this agreement has been lauded as the first concrete step towards the conclusion of the Doha Round.

Since the Doha Round was first launched in 2001, the international trading system has experienced significant geo-economic changes spurred by the increasing rate of technological innovation particularly in large emerging economies and the financial crisis in the developed world. Given these changing conditions, after the eighth ministerial in 2011, WTO Members decided to pursue a smaller package of select issues as the full package of the Doha Development Agenda was not making much progress.

In 2013, these issues became known as the Bali Package and included some aspects of agriculture negotiations such as public stockholding for food security purposes, further liberalisation in the administration of tariff rate quotas; trade facilitation; and a number of issues important for trade-related development and further integration of least developed countries into the global trading system.

With the fate of the Bali Ministerial hanging in the air up until the very last moment, the eventual success of the meeting was met by many with cautious optimism. While indeed the achievement merits much applause, to echo the words of the Director General of the WTO, Roberto Azevêdo, this package is not an end – rather the beginning of the more important task of implementing the decisions that were adopted in Bali as well as drawing up an agenda to deal with the remaining Doha Development Agenda issues.

After the success at Bali, members are now focussing their attention on the post-Bali agenda. In an effort to provide some preliminary thoughts on this agenda, this paper will give a snap shot of each adopted Bali ministerial decision within the three pillars: Trade Facilitation, Agricultural issues and Development issues.

The paper aims to serve as a precursor to identifying the challenges that countries may face in implementing the Bali Package by:

- giving a brief history of each pillar,
- identifying what the possible next steps of each ministerial decision might be, and
- providing a brief assessment of how this decision/agreement is likely to affect various other stakeholders especially consumers.

Given the increasing impact that international trade regulations are having on individuals who fall outside the gamut of producers, it is important to include other stakeholders in the analysis.

One of the weaknesses of the current trade system is that while it asserts to put public interest first, the views of ordinary citizens and consumers do not carry the same weight as that of producers and there is relatively little attention given to the effects that these would have on consumers. However, given the overview nature of this paper, it must be noted that while the paper highlights some of the impacts that these decisions will have on consumers, it does not attempt to provide a comprehensive analysis on the issue. The consumer perspectives provided are indeed very general and are meant to serve as a precursor for further research in this area.

Trade Facilitation

Trade Facilitation (TF) is about the simplification and harmonisation of border trade procedures with respect to activities, practices and formalities involved in collecting, presenting, communicating and processing data and other requirements for cross-border movement of goods. While the concept of TF is not new, in the months leading to the Bali Ministerial it received unprecedented attention as developed countries brought the idea of finalising an Agreement on Trade Facilitation to the fore. TF first came onto the table at the Singapore Ministerial in 1996 where members agreed to explore whether WTO rules could be made applicable to TF as well three other areas, namely: trade and investment policy, trade and competition policy and transparency in government procurement.

After years of consideration, member countries finally agreed to launch negotiations only on TF in July 2004 under the modalities contained in the 'July Package' mandating members to clarify and improve General Agreement on Tariffs and Trade (GATT) Article V (Freedom of Transit), Article VIII (Fees & Formalities with respect to importation and exportation) and Article X (Publication and Administration of Trade Regulations). Besides establishing customs cooperation, the aim was also to enhance technical assistance and capacity-building on the subject. The agreement was to be concluded as part of the overall Doha Development Agenda but this did not happen due to a stalemate in Doha Round negotiations. The three other issues on investment, competition and government procurement were dropped.

Agreement on Trade Facilitation and Bali Ministerial Decision

In spite of this, TF was one of the issues that was included in the early harvest package of the Bali ministerial and in December 2013, members agreed on an Agreement on Trade Facilitation. It is expected that the agreement will work towards reducing the cost of trading by making binding commitments in customs procedures and regulations. Section I of the Agreement deals with substantive and procedural standards including availability of information, facilitated customs procedures (e.g. advance ruling and pre-clearance and risk management), border cooperation, and dispute resolution.

Section II deals with Special and Differential Treatment (S&DT) for developing and least developed countries (LDCs) enumerating the type of technical assistance needed to ensure the implementation of new TF standards.

A close look at Section II reveals that unlike the conventional approach of technical assistance that has so far been used by the WTO, the TF Agreement provides a rather new form of technical cooperation where developing countries and LDCs are pursuing a linkage between the implementation of each provision under the TF agreement and the delivery of technical assistance.

This section may have the potential to alter the WTO's conventional approach to technical assistance. The agreement calls for a distinction between 'commitment' and 'improvement' in that commitments made in the WTO are binding and are subject to legal action if not adhered to.

However, it acknowledges that improvement will come from investments which will require finance and technological up-gradation. Therefore, to make the Agreement efficacious for promoting trade flows and the development of export-oriented competitive sectors, the Bali Declaration provides assurance that developing countries and LDCs will be supported in building capacities to implement the agreement.

Potential Costs and Benefits in implementation of Trade Facilitation

Experts have estimated that removing barriers to trade and cutting the so-called 'red tape'[1] by half could stimulate the world economy to grow by more than US$1tn.[2] A 2004 CUTS study on TF suggested that customs-related 'red tape' barriers generated more costs than tariffs and were mostly due to government failure.[3] Nevertheless, more and more countries are realising that a lack of efficiency in goods flows at the border means less tariff revenues, lesser regulatory controls, lower levels of transparency and reduced business volumes around domestic trade infrastructure facilities.

Table 1: Trade Facilitation Matters	
Several World Bank studies such as by Portugal-Perez, Alberto and Wilson, John S, demonstrate that there is a large reduction of trade costs owing to customs cooperation, easing up of formalities in relation to importation, exportation and transit etc.	Wilson, Mann, and Otsuki (2004) measured and estimated the relationship between trade facilitation and trade flows across 75 countries in global trade, considering: port efficiency, customs environment, regulatory environment, and service sector infrastructure. The results suggest that both imports and exports for a country and for the world will increase with improvements in this trade facilitation measures. The total gain in trade flow in manufacturing goods from trade facilitation improvements covering all the four areas is estimated to be US$377bn. All regions gain in imports and exports.
An OECD Study by Walkenhorst, Peter and Tadashi, Yasui (2003) demonstrates that aggregate welfare gains from trade facilitation would amount to US$40bn. Non-OECD countries would benefit the most.	Helbe et al (2009) estimate that every dollar spent in Aid for Trade recipient countries on reforming trade policy and regulation (customs clearance, technical barriers, etc.) increases the country's trade by US$697 annually
Source: Chatterjee, B. and Jatkar, A. (2013), "Unlocking the Doha Impasse", CUTS International; Available at: www.cuts-citee.org/pdf/Briefing_Paper13 Unlocking_the_Doha_Impasse_Imperative_of_a_Balanced_Bali_Package.pdf	

1 Red tape is usually understood to mean excessive regulations, procedures or rigid conformity to formal rules that are considered redundant or bureaucratic.

2 Lamy, P. (2013), "A trade facilitation deal could give a US$1tn boost to world economy"; Available at: www.wto.org/english/news_e/sppl_e/sppl265_e.htm

3 CUTS International (2004), "Trade Facilitation: Reducing the Transaction Cost or Burdening the Poor"

Inter-governmental organisations such as Organisation for Economic Co-operation and Development (OECD), United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), and United Nations Conference on Trade and Development (UNCTAD) argue that the costs incurred in the implementation of the TF Agreement may be high for many developing countries due to the difficulties they may encounter in undertaking some of the time-bound commitments owing to their resource limitations, capacity constraints and diverse priorities.

Following are some major costs that would need to be met by countries to implement trade facilitation measures as per the mentioned agencies:

- Regulatory costs: The TF Agreement is likely to invoke new regulations and legislations or amendments in existing laws in order to have consistency with national regulatory and legislative process. This in turn will call for a considerable amount of resources that may be required for legislative and regulatory work depending on the country's legislative structures, procedures and frequency of changes in legislation. Besides major legislative changes, trade facilitation measures will entail operationalisation of legislation on electronic signatures and other procedural/administrative matters which will most likely incur additional costs.
- Institutional costs: Trade facilitation measures are expected to involve the development of new units such as such as post-clearance teams, risk management teams and central enquiry points, which will need additional financial and human resources.
- Coordination Costs: Another vital challenge in regard to the implementation of trade facilitation measures may be the co-ordination and co-operation among various relevant authorities. While such coordination between various agencies is expected to result in significant reductions in time and costs for traders by aligning customs administration/procedures and ensuring compliance with documentary requirements (licenses, certificates, etc.), it may require creating formal and informal procedures, practices and mechanisms that will entail costs.
- Training costs: One of the main costs of implementation of the TF Agreement will be the need for on-the- job training in order to expedite smooth flow of goods and services not only at the borders but also within the country.
- Equipment/infrastructure costs: Equipment and infrastructure costs may be a corollary cost that would be necessary for trade facilitation to be effective. This cost is likely to be incurred for incorporating existing or new ICT systems and online support for documentation, data gathering, traceability, and risk and stock management.
- Costs related to Sensitsing and Public Awareness: Implementation of trade facilitation measures also requires sensitisation and awareness-raising among relevant stakeholders such as policy makers, regulators, private/public entities, industry associations, CSOs and consumers.

Possible concerns of developing and least developed countries

It is widely acknowledged that TF constraints have been one of the major reasons for low levels of trade particularly at the regional level. The removal of these constraints would play a critical role in boosting trade among member countries and reducing unnecessary roadblocks by way of harmonisation and simplifying customs and transit procedures.

In spite of these benefits, the negotiation process that led to the TF Agreement highlighted fears of developing and least developed countries that the agreement could lead to an increased flow of imports by countries that normally would have spent their resources on infrastructural development. They were also concerned that the improved supply capacity and access to developed country markets required for the expansion of their exports would not necessarily be addressed by the agreement with the same seriousness.

Developing countries with weaker export capability were also concerned that the new obligations were likely to result in higher imports without corresponding benefits. This could have an adverse effect on their trade balances, and therefore require other measures or decisions outside of TF to improve export capacities and opportunities in order to counter-balance this effect.

Is the Trade Facilitation Agreement Enough?

In order to revive the relevance of the WTO, the reforms must take into account the increasing shares of trade of intermediate products and the emergence of a significant number of complex value chains. TF reform can be a pivotal strategy for member countries to be competitive in trade with improved governance as a positive spill off. In this context, ease of doing business, customs, related practices and supportive services could determine and influence, inter alia, the investment making decisions and establishment of production facilities.

It is here that the current text of the agreement arguably falls short especially in regard to the use of information communication technologies (ICT) for TF implementation. This is an important element that could have facilitated the participation of smaller players and several countries into the global trading system and increased their connectivity to international supply chains.[4]

The adopted trade facilitation agreement does not shed much light on how it would affect consumer and SME welfare. However, it is expected to have significant impact on prices, availability of essential products (such as food and medicines), and the diversity and qualities of the produce offered which are vital from a consumer perspective. Moreover, TF could also have a considerable impact on the competitiveness and on the global or regional integration into value chains of small and medium enterprises (SMEs) especially in regions where SMEs are key intra-regional traders and large employers.

In sub-Saharan Africa, for example, most intra-regional trade of food commodities, textiles and other consumer goods is done through individual traders and SMEs.[5] This is also true for many Latin American and Asian countries. The socio-economic contribution of SMEs is huge in an economy yet it faces challenges on account of tariff peaks/distortions, access to credit and NTMs, red tape and expensive logistics services among others when engaged in export activities. The TF agreement has the potential to address some of these constraints.

[4] As stated in the CUTS Trade Forum E-group by Yann Duval, Chief, Trade Facilitation Unit, United Nations Economic and Social Commission for Asia and the Pacific, Thailand, dated 21.12.2013

[5] Lesser. C. and and Moisé-Leeman, E. (2009), "Informal cross-border trade and trade facilitation reform in sub-Saharan Africa", OECD Trade Policy Working Paper No. 86

What next?

While the agreement could provide push to several technical and financial initiatives that continue to respond to several physical infrastructure challenges in many developing and LDCs, there still exists a need to support the improvement and review of relevant regulations and the institutional construct to enable and consolidate a pro-competitive and pro-consumer TF reforms. Such a reform needs to be anchored in a broader set of stakeholders' interests which is where the importance of SMEs and consumers needs to be assessed.

While the TF Agreement has now become a part of WTO work programme which is a remarkable achievement given the binding nature of the agreement, the agreement is only the beginning and much work needs to be done in the implementation of the agreement. In practice, members will need to look beyond conventional customs procedures and pay attention to the relevant complementary policies; regulations and institutions at the national level that need be supplemented so as to make trade facilitation effective for consumers and SMEs.

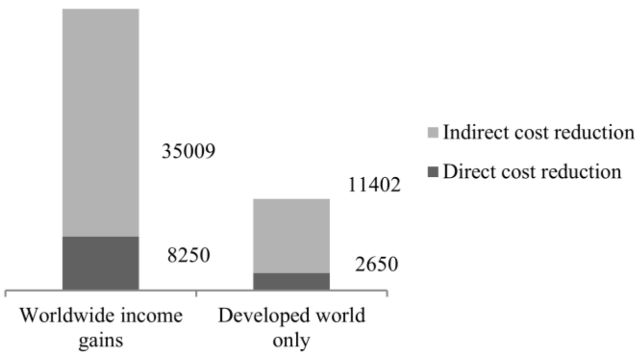
Such an implementation strategy, therefore, needs to be inclusive and both strengthen and consolidate TF regulatory and institutional reforms that are relevant to SMEs especially to support the efficiency and operation of international supply & value chains, as well as assuring benefits to the consumers in the developing world.

Box 1: Why should Trade Facilitation Matter to Consumers?

Effective, transparent and quick risk assessment tools that speed up the import and export of essential products as well as the free transit of goods plays a large role in promoting consumer welfare. Research has shown that it is generally consumers who are most affected by the costs incurred from red tape and other transaction costs.

Trade facilitation also has a direct impact on consumer welfare as it affects the accessibility, affordability and availability of goods. This is of particular importance for goods such as food and drugs. In the event of the successful implementation of articles such as Article 8 and Art 9 in the TF Agreement, among others, which deal with perishable goods and low inventory business models respectively, the TF Agreement will have significant positive impacts on consumers. The operationalisation of such provisions will therefore be crucial in promoting consumer welfare.

Impact on income if transaction cost reduced by 1% ($mn)



Source: Business Standard (2013), "Statsguru: Making sense of the global trade debate in Bali"; Available at: http://www.business-standard.com/content/general_pdf/120913_03.pdf

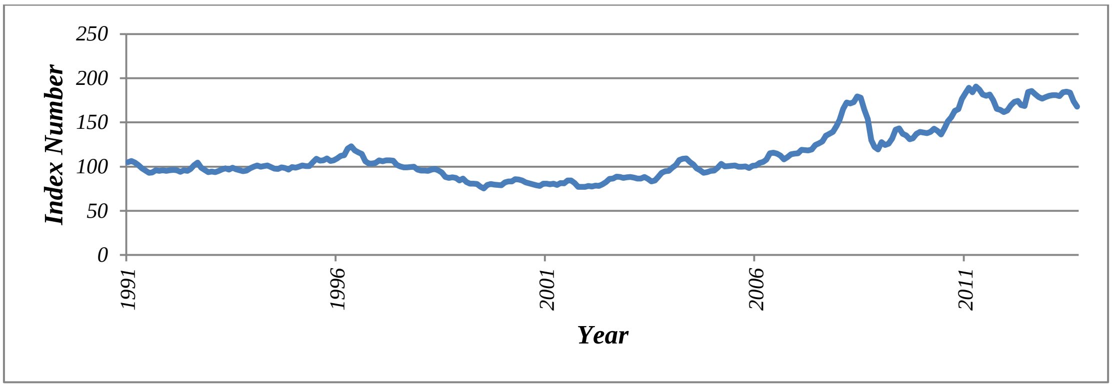
Agriculture

a. Public Stock-holding for Food Security Purposes

Of all the draft ministerial documents tabled at the Bali Ministerial, the proposal on public stock-holding proved to be the most difficult to finalise. The proposal was based on a G-33 proposal raised at the informal meeting of the Special Session of the Committee on Agriculture in 2012. It called for the provisions on public stockholding for food security purposes (already included in the Doha Round draft modalities of 6 December 2008) to be taken up for a formal decision at the ninth ministerial conference in December 2013.

In the past seven years, agricultural prices have been both high and volatile and while the rise in food prices has affected almost all agricultural products, the price volatility has been confined to mainly grains and some oil seeds that constitute the major food products of concern when discussing food security. The under-developed nature of agriculture in most developing countries has made the sector vulnerable to price fluctuations with particularly dire consequences on the poor and other vulnerable consumers who devote a high portion of their incomes to the purchase of food. For many developing countries, therefore, stock adjustments serve as a buffer for both their producers and consumers against the vagaries of price volatility especially in basic food products such as grains.

Figure 1: Commodity Food Price Index Monthly Price



Source: IMF (2013), "IMF Monthly Commodity Data"; Available at: www.imf.org/external/np/res/commod/index.aspx

Bali Ministerial Decision

Under the current WTO rules, state support of this nature is considered trade distorting if the government procurement prices are higher than the market price. The amount used to pay higher than the market price is therefore calculated as Aggregate Measure of Support (AMS) and countries exceeding their AMS limit can be taken to the WTO dispute settlement procedures.

The major point of contention that was raised by the G-33, was that the very calculation of the AMS was outdated and did not take into consideration rising food prices that had characterised the global market since the methodology was first adopted. When the WTO agriculture agreement was negotiated, developing countries were given an AMS limit of ten per cent of their value of production.

It was decided that the methodology for calculating the contribution of stockholding to this subsidy box would make use of 1986-88 prices as the reference price. Developing countries argued that due to the increase in food prices over the past two decades, it was found that government administered prices were always higher than the reference price.

Given that some of these countries were concerned about exceeding their AMS subsidy limits, the G-33 proposal on food stockholding called for greater flexibility for food purchased at administered prices when building public stocks for food security purposes. They contended that under the current rules, price inflation had eroded their ability to purchase for food security purposes at government administered prices. The G-33 argued that it therefore strongly overestimated the real support that was provided to producers through public stocks potentially curtailing a country's desire to roll out new food security schemes without being challenged under the global trade body's dispute settlement procedures.

Developed countries as well as some developing countries argued that allowing unlimited amounts of market price support to be included in the green box could distort trade, and potentially undermine food security elsewhere by raising world prices during periods of stockholding and harming farmers in other countries in the event of a leakage. Therefore, as a possible compromise, countries negotiated the outlines of a possible 'peace clause' that would commit all countries to refrain from initiating legal action on these schemes until they achieved a permanent solution, in exchange for greater information and transparency on how they operate.

Potential Costs and Implementation Challenges

The implementation costs of this agreement will differ from country to country. Having recently adopted a national Food Security Act, it was touted by many that India's insistence on passing a ministerial decision for public stockholding was due to its fear of exceeding its AMS limits because of the Bill. The stated objective of the bill is to guarantee cheap food grain to nearly 70 percent of India's population and the broader aim is to alleviate chronic hunger and poverty in India. The cost of the programme has been estimated to be about US$4bn a year however the major implementation challenges will lie in the distribution of grains.

According to a 2005 report by India's Planning Commission, under India's existing food security programme, as much as half of the grains procured by the government is siphoned off by middlemen before reaching their intended beneficiaries with much of the subsidised food ending up being sold illegally in markets rather than in fair price shops.[6] Given that the concerns of other members stemmed from the fear that those food grains might leak into the market, which could prove to be a major challenge for the Indian government as well as other governments that intend to implement an appropriate public stockholding regime for food security purposes.

During negotiations, a number of members at the WTO recalled Thailand's paddy-pledging scheme as an example of a public procurement scheme that had caused price hikes in the global market and left many net-food importing countries vulnerable to the effects of the price changes. While this ministerial decision was cited as a victory for farmers of the developing world to ensure food security for their citizens, these assertions failed to recognise the non-homogeneity of developing countries.

[6] Planning Commission (2005), "Performance Evaluation of Public Distribution System"; Available at: http://planningcommission.nic.in/reports/peoreport/peo/peo_tpds.pdf

For net food importing countries, this decision could potentially undermine food security in their economies by propagating high food prices during periods of stockholding thus harming consumers, and in the event of leakages, result in depressed world prices and harm their farmers. In light of this, there will therefore be a need to strengthen discussion on export restrictions.

The challenges that will accompany the implementation of this decision will be two-fold. Firstly, as time progresses Members are going to have to deal with the systemic matter of the calculation of the AMS for stockholding for food security purposes. Having been deemed outdated by both academics and policy-makers alike, members are going to have to either arrive at a new formulation of the AMS or consider an alternative approach for dealing with the stock-holding for food security purposes for developing countries.

Secondly, up until a final solution is found, members might have to deal with the potential of food stocks being leaked into the global market. This might have the much-feared distortionary effect which may result in likely short-term depression in global prices of affected commodities. As members work to implementing the post-Bali Agenda, the content as well as the process of negotiations to arrive at a consensus for the 'permanent solution' will therefore have to take into consideration such a potential issue.

Box 2: Public Stockholding for Security Purposes
The Issue for Consumers: An Indian Case-Study

The emergence of India's agricultural price policies arose in the 1960s in the wake of increasing food insecurity and price fluctuations triggered by drought, floods and the international prices of exports and imports. The policies were drawn up to ensure reasonable food prices for consumers by providing food grains through the Public Distribution System (PDS) and a price support mechanism through Minimum Support Price (MSP) system. The MSP is viewed as a form of market intervention by the central government and as a supportive measure (safety net) for agricultural producers. These policies were created for three reasons: to insulate producers against unwarranted fluctuations in prices; to create an incentive structure for the farm producers in order to direct the allocation of resources towards desired crops; and to insulate consumers against sharp price rises.

In 2007, an analysis by India's Planning Commission in two Indian states showed that the extension of MSP not only led to an increase in producers' income for both rice and wheat but also translated into a positive gain for consumers of both rice and wheat. Evidence from this case study showed that consumers can also gain by a substantial margin under government support schemes and that the fiscal support extended to carry out extended procurement can translate into a positive gain for a large section of poor farmers. While the general impact of public-stockholding for consumers is positive, in order to provide a more nuanced perspective on the impact of stock holding on consumers, further work will need to be undertaken to assess the impact of government support systems on Below Poverty Line and Above Poverty Line consumers. Such results are likely to indicate varying stockholding impacts on consumers.

Source: Integrated Research and Action for Development (2007), "Extension of MSP, Fiscal and Welfare Implications"; Available at: www.irade.org/Report-Extension%20of%20MSP%20Fiscal%20and%20welafre%20Implication.pdf

b. Tariff-Rate Quota Administration

One of the fundamental changes to agricultural trade introduced by the Uruguay Round was the tariffication of non-tariff barriers to trade. This gave rise to the concept of 'minimum market access' which was to be facilitated through the system of 'tariff-rate quotas' or TRQs. TRQs deal with whether a product exported from one country can gain access to the market of another country at a lower, within-quota tariff.

Under the existing WTO Agreements, many countries have negotiated concessions to permit imports of specific products at a lower import tariff than usual for specified quantities. These quotas are administered by importing countries in a variety of ways and methods in order to give exporters' access to quotas either at first-come, first-served allocations, import licensing according to historical shares and other criteria, administering through state trading enterprise, bilateral agreements, or auctioning.

However, the current TRQs remain unfilled in many cases, raising the issue whether the TRQ administration can be improved to allow for the full utilisation of TRQs. Over the years this subject has attracted much attention in the WTO Committee on Agriculture in terms of reflecting the value of these quotas for additional market access. The G-20 proposal dealt with this administration, with a view to fleshing the existing general obligation to make it possible to fill these quotas with some more detailed rules on better implementation of tariff rate quota commitments.

First, it contained a number of provisions on procedural and transparency aspects. Secondly, it also provided for an 'under-fill' mechanism, i.e. when a quota was consistently under-utilised, then a country could be asked by another WTO Member to change the management method to 'first-come first-served' for a trial period to see if the fill rate increased. However this under-fill mechanism also had a clause on 'special and differential treatment' which completely exempted all developing countries from it, so it would only apply to developed countries.

Bali Ministerial Decision

According to the decision in Bali, Members need to assess the allocation of import licenses and consider the allocation of new licenses when licenses held by private operators are under-filled for reasons other than those that would be expected to be followed by a normal commercial operator. In the absence of commercial reason for under-filled licenses, Member countries shall request holders of these licenses whether they would be prepared to make them available to other potential users. Countries must provide for an effective re-allocation mechanism of import licenses when member states do not notify their quota-fill rate or if the fill rate is below 65 percent.

The decision further provides with an opt-out option from tariff-quota system that would allow developing countries to fill under-filled quota tariffs, an option the US, Barbados, Dominican Republic El Salvador and Guatemala have utilised.

c. Export Competition

Export competition is another pillar of the WTO agriculture negotiations and covers agriculture export subsidies, agriculture export credits, food aid, and the operation of agricultural exporting state trading enterprises (STEs). It aims to preserve well-functioning markets by facilitating competition amongst the market players.

At the Hong Kong Ministerial in 2005, a target to eliminate export subsidies by 2013 was set by member countries to be achieved in the context of an overall outcome in the DDA negotiations. However, these steps could not be taken given that the DDA remained in suspense. The original proposal for Bali called for the elimination of the permitted limits for the value of export subsidies, a stand-still provision on the volume, some provisions for the maximum repayment term for export credits, and a provision for S&D treatment for developing countries.

Bali Ministerial Decision

The Ministerial Declaration in Bali acknowledged the importance of the subject and regretted that no agreement could be reached in 2013 on the manner in which export subsidies and equivalent measures could be eliminated. Instead, Bali saw a political Ministerial Declaration reaffirming the commitment for the parallel elimination of all forms of export subsidies and all export measures with equivalent effect, encouraging reforms in that direction, and providing for restraint in their use. It also contains provisions on enhanced transparency covering all export competition measures with a view to informing the further negotiations on the subject.

Box 3: Export Competition: Issues for Consumers

Consumers have a wide set of interests in agricultural trade issues especially those which affect the availability and costs of food among others. The practice of subsidies distorts world agricultural trade and production, hitting poor farmers in mostly developing countries the hardest. These subsidies enhance inefficiencies and impose high costs to both consumers and tax payers in the subsidising country.

The negative effects of subsidies are experienced largely through the world markets and their impact on consumers is felt differently depending on whether the country is net-exporting, net-importing or a third country.

Subsidies have been proven to hurt poorer agricultural exporters by reducing their export earnings. While they may have overall welfare gains for importing countries that have low levels of self-sufficiency in food as consumer gains more than offset producer losses. Agricultural liberalisation should therefore be done with the needs of consumers in mind and not at their expense.

Source: CUTS Analysis

d. Cotton

The issue was brought to fore in the General Council and in the agriculture negotiations by four countries of Benin, Burkina Faso, Chad and Mali (Cotton 4), in the year 2003. These countries believed that the cotton subsidies in rich countries had caused damage to their economies and therefore called for elimination of these subsidies as well as compensation to them for the period these subsidies remained operational in order to cover the economic loses.

At the Hong Kong Ministerial in 2005 members agreed, as part of DDA outcome, to eliminate export subsidies on cotton; developed countries to allow duty free quota free market access for cotton from LDCs; and developed countries also to cut domestic support for cotton of the types that distort trade by more than on other agricultural products (however there was no agreement on the size of the cuts). In 2011, the issue was included in the 'Elements for political guidance' that was one of the concluding consensus statement made by the Chair at the Geneva Ministerial Conference in 2011 and was pursued by the Cotton-4 countries in 2013 ministerial in Bali.

Bali Ministerial Decision

The Cotton-4 countries submitted their proposal in October 2013, in the run up to Bali Ministerial. The proposal reiterated the previous concerns and the need for continued dialogue on the objectives agreed in 2005 at Hong Kong Ministerial Conference. The draft text proposed two stage reforms. These included: Duty Free Quota Free Market Access to be provided for cotton from LDCs in the markets of developed countries and to the markets of those developing countries that are in a position to do so from 01 January 2015 and, for developing countries to take steps to improve market access possibilities for exports from least developed countries and; immediate elimination of remaining export subsidies on cotton in developed countries and to provide development assistance for cotton production in LDCs.

Ministers in Bali reached a decision to enhance transparency and monitoring of the trade-related aspects of cotton so also to increase cotton-related development assistance. They agreed to have bi-annual discussions in the context of the Committee on Agriculture to determine the effects of trade-related developments, especially export subsidies and export measures, domestic support, tariff measures and non-tariff measures on market access and export competition of cotton products exported from LDCs to markets of interest to them.

It is noteworthy that context and conditions that prevailed for cotton when it was first tabled at the WTO's Cancun Ministerial in 2003 have changed profoundly. Today, cotton prices have increased exponentially, there are a number of new countries that now provide cotton subsidies, and patterns of trade have shifted with many new countries trading in cotton. China has now become the largest producer, importer, exporter and consumer of cotton, affecting the world prices whereas India has moved from a net importer to the second largest exporter of cotton.

On the other hand, the market share of major subsidisers, such as the US and EU has decreased and is likely to continue to do so given the current economic scenario in these countries. Furthermore, since world cotton prices have increased substantially, the pressure of subsidies on African cotton producing countries has diminished. Yet a proposal to meet twice each year to discuss the latest developments related to market access, domestic support and export subsidies for cotton, particularly from LDCs, is worth pursuing in order to integrate the LDCs into the global trading system and it is in this context that the present issue needs to be addressed.

Development and LDC Issues

a) Duty-Free Quote-Free Market Access for Least-Developed Countries

In 1996, the Singapore Ministerial Conference of the WTO Members saw the launch of discussions aimed at providing duty-free quota-free market access (DFQF) for LDC goods and in 2001, ministers committed to providing preferential market access to products originating from LDCs. In 2005, trade ministers achieved a break-through when the Declaration of the Hong Kong Ministerial of the WTO Members included an annex which explicitly stated that those members who consider themselves in a position to do so should implement DFQF market access for all products originating from LDCs. Members unable to meet these commitments were provided the option of providing DFQF access for 97 percent of products originating from LDCs while they continued to work to progressively achieve full compliance. For many developed countries however, the three percent of excluded tariff lines cover over 90 percent of their imports from LDCs, and those very products experience high tariff levels indicating that LDCs are currently not truly benefiting from this arrangement.

The DFQF negotiations have seen very little substantial progress with the debate largely focusing rather on the potential gains that could be achieved under a 97 percent DFQF scheme as opposed to full coverage. Even within the LDC Group itself, the issue has created some conflict given that some members fear the possibility of preference erosion that would see some LDCs lose the benefits of their preferential treatment.

Bali Ministerial Decision

The text adopted at the Bali Ministerial, further encouraged developed and developing countries to improve their existing DFQF coverage for LDC products in order to facilitate greater market access. It instructed members to notify DFQF for LDCs to the Transparency Mechanism for Preferential Trade Arrangements and called for the Committee on Trade and Development (CTD) to conduct annual reviews on efforts taken to provide LDCs with DFQF market access, providing reports to the General Council for appropriate action. The decision represented a political commitment on the part of WTO members to assist LDCs integrate into the multilateral trading system.

What next?

Although this pillar has a small global payoff, it has large ramifications for LDC economies. Given that LDCs have not been able to derive much benefit from the global trading system. This ministerial decision seeks to further facilitate an increased flow of trade benefits towards their economies by further increasing their market access opportunities. In spite of the significant socio-economic impact of DFQF market access, WTO members are not legally bound to its provisions. As a result, while there has been much progress in this area, many LDCs are still struggling with accessing affluent markets due to an insufficient capacity to compete against larger economies that can benefit from economies of scale.

According to a report by the Peterson Institute for International Economics, if the OECD and emerging nations expanded their DFQF market access to 100 per cent of all products originating from LDCs, LDCs could gain eight billion dollars in export gains, increase their GDP by seven billion dollars and create 746,000 new jobs.[7] Due to the expressed political commitment on the part of members, while still lacking in mandatory obligations, the ministerial decision in DFQF has the potential to increase opportunities for LDCs. However, there remains much work to be done in establishing legally binding commitments (see Table 2 on page 14).

[7] Hufbauer, G. and Schott, J. (2011), Payoff from the World Trade Agenda, Peterson Institute for International Economics; Available at: www.iccrf.org/events/2013/06/launch-piie%E2%80%93icc-foundation-study-payoff-world-trade-agenda

Table 2: Major Multilateral Non-Reciprocal LDC Preference Schemes Undertaken by Selected WTO Members

Preference granting country	Description	Coverage/ margin of preference
Australia	Duty- and quota-free entry. (Entry into force: July 01, 2003)	All products
China	Duty-free treatment for LDCs (Entry into force: July 01, 2010)	China has granted zero-tariff treatment to 4,762 tariff lines - which accounts for nearly 60 percednt of its total tariff lines. China intends to continue to expand this coverage with the aim of achieving the final objective of reaching 97 percent of tariff lines under zero-tariff treatment by 2015.
EU	GSP - Everything But Arms (EBA) initiative (Entry into force: March 05, 2001	Since October 01, 2009, the EBA has been granting DFQF access for all products from all LDCs (except arms and ammunitions).
India	Duty-Free Tariff Preference Scheme (DFTP) (Entry into force: August 13, 2008)	Duty-free access on 85 percent tariff lines at HS 6 digit level by 2012. (The Government of India has expressed that it intends to expand the coverage of DFQFMA for LDCs to 96.2 per cent of Indian tariff lines)[8]
United States	GSP for least-developed beneficiary developing countries (LDBDC). Legal authorisation of the GSP Programme expired on July 31, 2013. The US Congress is considering legislation that would extend the authorisation of GSP beyond this date. (Entry in to force: January 01, 1976)	Preferential duty-free treatment for 3,511 products for all GSP beneficiaries, including 43 LDBDCs; an additional 1,464 products are GSP-eligible for LDBDCs (April, 2013). (43 designated LDCs)
	African Growth and Opportunity Act (AGOA) (Entry into force: May 18, 2000, extended until 30 September 2015)	1,835 products, available for duty-free treatment, in addition to products designated for duty-free treatment under GSP (38 designated sub-Saharan African Countries including 24 LDCs)
	Caribbean Basin Trade Partnership Act (CBTPA) (Entry into force: October 01, 2000, extended until 30 September 2020)	Duty free for most products, including textiles and apparels. The Haitian Hemispheric Opportunity through Partnership Encouragement (HOPE) Act of 2006 provided new trade benefits, especially of apparel imports from Haiti. The HOPE II Act of 2008 enhanced duty-free treatment for qualifying apparel imports from Haiti. The Haiti Economic Lift Programme (HELP) Act of 2010 provided duty-free treatment for additional textile and apparel products from Haiti. (17 designated beneficiaries (including one LDC, i.e. Haiti) in Central America and the Caribbean)

Source: WTO Secretariat (2013), "Market Access for Products and Services of Export Interest to Least-Developed Countries"; WTO document: WT/COMTD/LDC/W/58

[8] Ministry of Commerce and Industry (2013), "Address by Shri Anand Sharma at the Plenary Session of the 9th Ministerial Conference of the WTO at Bali", Press Information Bureau; Available at: *http://pib.nic.in/newsite/PrintRelease.aspx?relid=101013*

b) Operationalisation of the Services Waiver

While global trade in services has increasingly become more important, spurred by the growing importance of global value chains, LDC participation has remained low. According to the WTO, services trade only accounts for about 0.6 and 1.7 percent of LDC exports and imports respectively whereas globally services now contribute 70 percent to world GDP and 45 percent to global employment.

The services sector has become a key driver of growth and development in LDCs and in 2011, it accounted for 47 percent of all LDC overall GDP. Leveraging the services sector not only assists in unlocking further growth potential, but also can help address poverty and enhance the quality of life through greater access to available services. This is particularly important given the growing evidence of the powerful link between the services export sector, GDP and poverty alleviation as well as the development benefits of higher value added and skill intensive activities.[9]

The services waiver has its origin in the development provisions of Article IV of the WTO's General Agreement on Trade in Services (GATS). It calls on members to facilitate increased participation of developing countries in services and while it states that LDCs should be given 'special priority' in this area it also instructs members to progressively agree on a set of LDC 'negotiating guidelines' to pin-down the mechanics of granting this priority.

At the Hong Kong Ministerial, members affirmed the need to develop "appropriate mechanisms for according special priority," and three years later, in 2008 it was agreed that this mechanism would be recognised as a form of waiver. In 2011, Members adopted the waiver which adopted a two-pronged approach. It was agreed that market access preferences as described in GATS Article XVI would be automatically covered by the waiver, whereas non-market access measures would not be automatically covered but could be authorised by the WTO Council for Trade in Services (CTS).

Despite its adoption in 2011 MC, the waiver could not be operationalised prompting demands by LDCs for further action by the Ministers for its operationalisation.

Bali Ministerial Decision

In order to realise the potential economic benefit of the services waiver that was adopted during the 2011 ministerial, the draft decision that was tabled and adopted at Bali sought to seek the expeditious and effective operationalisation of the waiver through a periodic review operated by the CTS. Ministers agreed to work at increasing the participation of LDCs in world services trade and made a decision to promote the granting of preferences to LDCs under the LDC services waiver. The ministerial decision also states that a high-level meeting of the Committee on Trade in Services will take place six months after LDCs submit a collective request identifying sectors and modes of supply of particular interest to them and all developed and developing countries that are in a position to do so will be expected to indicate where they can provide preferential treatment to LDC services and services providers.

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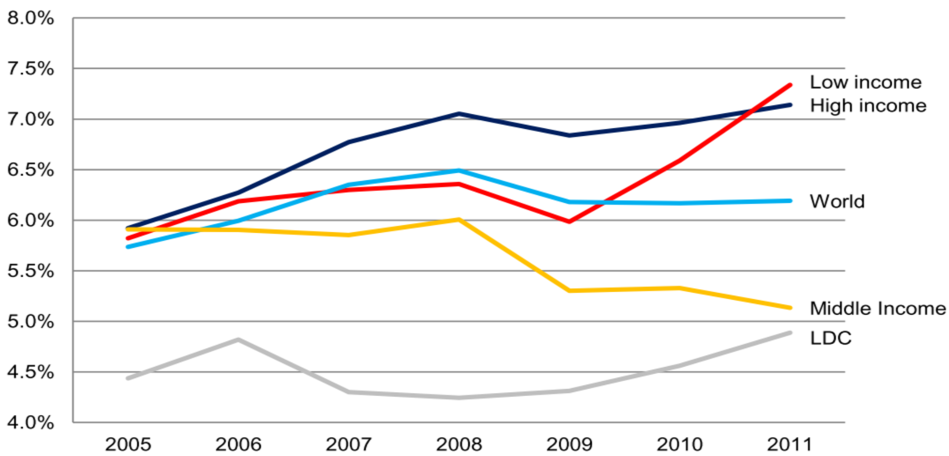
9 ITC (2013), "LDC Services and Exports, Trends and Success Stories"; Available at: www.intracen.org/uploadedFiles/intracenorg/Content/Exporters/Sectors/Service_exports/Trade_in_services/LDC%20Services%20Exports%20for%20web.pdf

While the 2011 services waiver represented a significant step forward for LDCs, the waiver will only confer economic benefits in so far as it is operationalised in a commercially meaningful way. It recognised that the special economic situation of LDCs, and their development, trade and financial needs prevent LDCs from fully participating in the multilateral trading system and securing an adequate share in the growth of world trade in services. So far, no request to use the waiver has been made by LDCs, and no preferences have been granted by their trading partners. Much work still needs to be done to ensure that LDCs benefit from participating more in global services exports.

What next?

In order to operationalise the waiver, all trading partners need to identify areas where LDCs can benefit from commercially meaningful preferences. The difficulty however lies in the detailed information needed to make the underlying assessments. Efforts are however currently underway to collect information about LDC services exports, target markets and existing barriers as a first step in designing a possible LDC joint request for meaningful preferences. In the meantime, LDCs and their trading partners need to come forward with ideas and suggestions on how to operationalise the waiver. To this end, LDCs have underlined the need for increased technical assistance and capacity building, such as through the Aid-for-trade initiative, to overcome supply side constraints in this area.

Figure 2: Growing Contribution of Services Exports to GDP



Source: ITC (2013), "LDC Services and Exports, Trends and Success Stories"; Available at: *www.intracen.org/uploadedFiles/intracenorg/Content/Exporters/Sectors/Service_exports/Trade_in_services/LDC%20Services%20Exports%20for%20web.pdf*

c) Rules of Origin

Rules of Origin (RoO) confer an economic nationality on products traded across borders, and define how much processing must take place locally before goods are considered to be the product of the exporting country. In the case of LDCs, preferential RoO are often considered too restrictive and inflexible, making it difficult for them to take advantage of an intended preference. For many LDC exporters, the cost of compliance even with the lenient RoOs prevents them from accessing potential markets.

Negotiators first attempted to address the issue in the context of the DFQF initiative which was finally adopted at the Hong Kong Ministerial Conference in 2005. The 2005 Hong Kong Ministerial Declaration called for action to simplify preferential RoO processes and make them more transparent and formed the basis for the more detailed proposals on RoO reform from the LDC Group.

Bali Ministerial Decision

In order to effectively facilitate market access for LDCs under non-reciprocal trade arrangements, a draft decision related to rules of origin was agreed upon by Ministers in Bali. The ministerial decision contains a set of multilateral guidelines for the rules of origin that WTO members should apply to their non-reciprocal preference schemes for LDCs to make it easier for LDC exports to qualify for preferential market access.

The decision recognises that each country granting trade preferences to LDCs has its own method of determining rules of origin, and invites members to draw upon the elements contained in the decision when they develop or build on their individual rules of origin arrangements applicable for LDCs.

Previous experience has seen that even in specific preference programmes such as the European Union's Everything but Arms (EBA) programme that offers 100 percent coverage for LDC products, such schemes often include restrictive or inflexible RoO for determining product eligibility. While such rules are designed to ensure that "substantial transformation" of inputs occurs in the exporting LDC, these rules are oftentimes complex and thereby difficult to comply with.

One such example, as cited in the ministerial decision, is the calculation method of the *ad valorem* percentage of value addition. In the case of methods used for calculation of foreign inputs, LDCs requested that members exclude costs related to freight and insurance as well as international transportation costs. However, given the simpler exercise of calculating national or regional inland transportation costs, these could be included in the calculation of local or domestic content.

As it stands, this decision is in the form of non-binding guidelines therefore developed country members can choose whether to adopt these guidelines or not. While indeed the guidelines described in the ministerial decision could have a positive impact on LDCs if they are adhered to by developed country members and developing country members, it remains to be seen whether WTO members will actually use these guidelines to design preferential RoO for LDCs given that they are not enforceable.

Box 4: LDCs and Development Issues: A Consumer Perspective

In spite of the setbacks that characterised the Doha Round, LDC issues remained a major tenet of the negotiations as they consistently argued for an enabling environment to allow them to increase their share in global trade. Although LDCs only account for one per cent of global trade, the global trading system is imperative for their growth given that trade accounts for 62 per cent of their total GDP.

Fostering trade and investment has long been viewed as a major driver of economic development in LDCs. The global financial and economic crisis that saw 9.5 million people fall into extreme poverty and export revenue drop by 24 to 32 per cent in LDCs reinforced the importance of preferential treatment of LDC exports in boosting LDC development and stimulating their per capita growth that remains stagnant relative to other developing countries.

Consumers in developed countries are also negatively impacted by restricted access for LDCs to industrialised markets. Given the additional costs that LDCs incur in exporting to these markets, these costs are transferred to rich country consumers who ultimately have to pay more for these goods.

While the LDC decisions taken at the Bali Ministerial may increase opportunities for producers in LDCs, the impacts of these decisions on LDC consumers is questionable. At the 2013 WTO Public Forum, one of the sessions entitled Doha's Impacts on LDCs concluded that in order for consumers in LDCs to also benefit from global trade the development component needs to be strengthened in order to fulfill the inclusiveness agenda. In order for the benefits of an improved trade environment for LDCs to trickle down to consumers there is a need to promote more inclusive development in LDCs.

The concept of a 'Doha Development Agenda-Millennium Development Goals hybrid' was raised as a way to promote an 'inclusive trading system' that will not only contribute to the expansion of trade, but also drive social development. Such an approach would be imperative to facilitate a more equal distribution of the benefits of international trade within LDCs.

Sources: UNCTAD (2010), "Least Developed Countries Report 2010, Towards a New International Development Architecture for LDCs"; Available at: http://www.un.org/wcm/webdav/site/ldc/shared/UNCTAD%20ldc2010%20report_en.pdf and WTO (2013), "Public Forum looks at Bali Issues"; Available at: http://www.wto.org/english/news_e/news13_e/pfor_03oct13_e.htm#ws21

d) Monitoring Mechanism on Special and Differential Treatment

Special and Differential Treatment (S&DT) provisions give various types of flexibilities to developing and LDC members of the WTO. These provisions include a range of stipulations including increasing trade opportunities, safeguarding developing and LDC interests, granting longer transition periods and providing technical assistance. S&DT has long been considered a crucial part of the Doha Round's development dimension. The Monitoring Mechanism was originally created as an overarching tool to help developing and LDCs integrate into the multilateral trading system by assessing the utilisation of their preferential treatment.

The proposal to establish a Monitoring Mechanism of S&D provisions was initially submitted by the African Group in 2002. The General Council agreed to establish the Mechanism and then instructed the Special Session of the CTD to elaborate the functions, structure and terms of reference for such a Mechanism. At the Geneva Ministerial Conference in 2011, ministers agreed to expedite work towards finalising the Monitoring Mechanism.

The ministerial decision adopted on the Monitoring Mechanism indicates that the Mechanism shall act as a focal point within the WTO to analyse and review all aspects of implementation of S&D provisions, and where the review identifies a problem, the Mechanism may make recommendations, including, if necessary, for initiation of negotiations, to the relevant WTO body in charge of the technical substance. The Monitoring Mechanism will provide a forum for monitoring S&D issues, with the objective of improving beneficiaries' ability to utilise them. In particular, it will provide for regular reviews of existing S&D provisions in multilateral WTO agreements and the making of recommendations.

The Mechanism marked an important step in the multilateral trading system's responsiveness to the concerns of developing countries. The Monitoring Mechanism will provide a forum for monitoring S&D issues, with the objective of improving beneficiaries' ability to utilise them. In particular, it will provide for regular reviews of existing S&D provisions in multilateral WTO agreements and for the making of recommendations.

While not limited only to the LDCs, the adoption of such a Mechanism could have positive spill-overs for the LDCs. The Monitoring Mechanism is intended to add value to the existing review mechanisms in relevant WTO bodies and will be able to put a spotlight on the effectiveness of the S&D provisions as well as provide LDCs with a forum where they can raise issues and flag difficulties being encountered in the implementation of these provisions.

Conclusions

Although the success of the Bali Ministerial was indeed a step in the right direction, the road ahead may prove to be more tedious than the one behind. The public stockholding for food security proposal proved to be the most contentious issue at the Bali Ministerial due to the need to ensure that the final decision included language aimed at ensuring that developing countries would be protected by an interim measure up until a 'permanent solution' was achieved. Therefore, it can be expected that the content as well as the process of negotiations to arrive at a consensus for the 'permanent solution' will most probably be one of the primary issue areas within the post-Bali agenda.

To arrive at permanent solution, the members are going to have start work on a dynamic methodology for calculating stockholding for security purposes that takes into the consideration the concerns of developing countries regarding both the reference price, used in its calculation, i.e. currently pegged on the triennium average of 1986-88 prices, as well as the methodology itself. In other words, to reach a consensus on permanent solution by the 11th Ministerial Conference of the WTO Members in 2017, the post-Bali agenda would need to take into consideration not only the revision in baseline prices but also need to look into changing the formula of calculating this subsidy.

In short, this 'permanent solution' cannot be achieved unless there is an agreement to necessary and sufficient changes in the formula of calculation of this subsidy – from its present static nature to a dynamic one.

Apart from developing a work programme on the implementation of the Bali agreement on trade facilitation, the non-binding nature of the Bali Ministerial Decisions on export competition in agriculture, cotton and the development and least developed country issues will most probably constitute another major component of the post-Bali agenda. As indicated in this paper, LDCs have much to benefit from preferential treatment therefore there will most likely be a drive to push for more legally-binding and enforceable commitments.

The other remaining issues of the Doha Development Agenda such as those on the outstanding agriculture topics, non-agricultural market access (NAMA) and trade in services will most probably be the most critical and fundamental stumbling blocks. Having attained the 'low-hanging fruit', members are now going to have to turn their attention to the more difficult and contentious issues that had previously been avoided. How members choose to tackle and whether they will be able to arrive at a convergence on the remaining issues will determine whether the WTO negotiations agenda will be able to achieve another breakthrough in the future.

Furthermore, unless the WTO is able to re-establish its primacy in rule-making, there is a likelihood that a patchwork of regulatory system filled with complexities will begin to coexist within the same country and different regulatory systems in groups of countries might compete with each other. In light of this, increasingly the international trading system has begun to see a trend towards preferential trading system. More recently, members have started engaging in what have come to be known as mega-regional trading agreements due to their sheer size. Arguably, this kind of system may still suffice for individual countries. However, it may eventually become confusing and not workable for producers and businesses, especially small businesses, and consumers. They may also establish higher and different standards in areas, such as intellectual property rights.

The current mega-regional agreements that are being negotiated do not include more than 100 small countries and it is these countries that will suffer the consequences of marginalisation. Less developed countries do not have as much market power as big countries that are able to establish and turn towards mega regional preferential agreements as alternatives if the WTO fails to succeed. In view of this, the WTO will need to address the emerging disciplines in a way that it reaches out to all.

The success of the Bali Ministerial Conference provided a glimpse of a much larger problem that the multilateral trading system is likely to confront in near future. The report entitled Future of Trade: Challenges of Convergence which was released in 2013 featured the recommendations of a high level group of experts convened by the previous Director General of the WTO, Pascal Lamy. It examined the forces that will shape the future of world trade and noted that as time progresses members are likely to encounter challenges of convergence. Some of the difficulties that members faced at the Bali Ministerial were on account of divergent interests between different groups of countries as well as challenges of aligning domestic development objectives with international trade commitments.

As Members continue with the Doha Development Agenda, successful future outcomes will require a combination of a willingness to accept trade-offs in order to achieve balanced outcomes as well as the ability to identify areas that will be of mutual benefit to all members of the 160-member World Trade Organisation. The post-Bali agenda, therefore, will have to look into a new model to resolve the difference in the existing Doha Development Agenda that also takes into account the needs of the 21st century. This is mainly because the composition of trade is changing from trade in goods and services to trade in tasks.[10]

One way of arriving at convergence on emerging issues of currency fluctuations, implication of climate change on trade, shifts in production and consumption patterns, continuing technological innovation among others, can best be done through working groups within the WTO for better understanding of their development implications.

[10] WTO and IDE-JETRO (2011), "Trade Patterns and Global Value Chains in East Asia: From trade in goods to trade in tasks"; Available at: http://www.wto.org/english/res_e/publications_e/stat_tradepat_globvalchains_e.htm

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Bali package on Doha Development Agenda:

Ministerial Decision on Trade Facilitation, WT/MIN (13)/36 – WT/L/911

Ministerial Decision on General Services, WT/MIN (13)/37 – WT/L/912

Ministerial Decision on Public Stockholding for Food Security Purposes, WT/MIN (13)/38 – WT/L/913

Ministerial Decision on Understanding on Tariff Rate Quota Administration Provisions of Agricultural Products, as Defined in Article 2 of the Agreement on Agriculture, WT/MIN(13)/39 – WT/L/914

Ministerial Declaration on Export Competition, WT/MIN (13)/40 – WT/L/915

Ministerial Decision on Cotton, WT/MIN (13)/41 – WT/L/916

Ministerial Decision on Preferential Rules of Origin for Least-Developed Countries, WT/MIN (13)/42 – WT/L/917

Ministerial Decision on Operationalisation of the Waiver Concerning Preferential Treatment to Services and Service Suppliers of Least-Developed Countries, WT/MIN (13)/43 – WT/L/918

Ministerial Decision on Duty-Free and Quota-Free Market Access for Least-Developed Countries WT/MIN(13)/44 – WT/L/919

Ministerial Decision on Monitoring Mechanism on Special and Differential Treatment – WT/MIN (13)/45 – WT/L/920