

**Statements by Ambassador Dennis Shea
General Council Meeting, July 22, 2020**

**Item 8. COVID-19 INITIATIVE: PROTECTING GLOBAL FOOD
SECURITY THROUGH OPEN TRADE - STATEMENT BY CO-
SPONSORS OF WT/GC/218/REV.1**

We appreciate the contribution of the Cairns Group to the vital issue of protecting food security during the pandemic. The United States agrees that avoiding unjustified disruption to agricultural trade is essential to ensure that people all over the world have access to food, fiber, and other products. Further, agriculture is a key sector of the global economy, employing over a quarter of the global workforce, including over fifty percent of people in low-income countries.

Trade is essential in ensuring the availability of diversified, safe and nutritious food for all. While the United States does not support all aspects of the proposal, we recognize a number of areas of agreement and look forward to continuing this discussion.

The United States maintains that all emergency measures in response to COVID-19 must be targeted, temporary, proportionate, science-based, and transparent.

The United States reiterates its commitment to protecting public health and to complying with its WTO obligations. The global nature of this public health crisis shines a spotlight on the critical importance of compliance with WTO obligations to ensure that workers and consumers have the goods they need in these difficult times.

As countries worldwide turn our collective attention toward addressing the epic public health and economic crises created by COVID-19, I

would like to highlight the United States' deep concern about China's recent actions that are disrupting agricultural trade.

The details of China's actions are contained in our submission to the SPS Committee, SPS/GEN/1798, *COVID-19 testing on imported food and agricultural products and "letter of commitment" attestations*.

Through its notification G/SPS/GEN/1812, China asserts that its actions are to protect consumer health from transmission of COVID-19. However, the FAO/WHO Guidance cited by China in its notification states clearly that there "is no evidence to date of viruses that cause respiratory illnesses being transmitted via food or food packaging." Rather than protecting consumers, China's actions unnecessarily disrupt food supply chains at a time of extreme fragility.

Consistent with the Cairns Group proposal, we ask that all Members base their actions to protect public health and safety amid the COVID-19 pandemic on scientific principles and evidence of risk, and to avoid unnecessary barriers to food trade that is vital to global food security in this crisis.

**Item 10. PROCEDURES TO STRENGTHEN THE
NEGOTIATING FUNCTION OF THE WTO – STATEMENT BY
THE UNITED STATES (WT/GC/W/757/REV.1 AND
WT/GC/W/764/REV.1)**

The United States continues to give voice to a proposition that, not long ago, was only whispered in Geneva: that our collective inability to differentiate among self-declared developing Members has severely undermined the negotiating function of the WTO.

To resolve this problem, the United States tabled a proposal to reform eligibility for blanket special and differential treatment in current and future WTO negotiations.

During previous meetings, I have provided our perspectives on two of the four criteria in the U.S. reform proposal: OECD membership and G20 membership. Today I will briefly provide our views on the other two criteria: High Income, as classified by the World Bank, and Share of Global Merchandise Trade of greater than 0.5 percent.

We included the High Income classification as a criteria because these economies simply have many more resources at their disposal than the poorest among us, on a per capita basis. More should be expected of these Members because they have more.

Yet, still today, five of the top 11 wealthiest economies in the world¹ have not renounced seeking S&D in current and future WTO negotiations.

The fourth criteria, share of global merchandise trade, is intuitively obvious. These Members are trade powerhouses. As a result of their enormous trade volumes, they have tremendous skin in the game. Each of them—with no exceptions—has the capacity and experience to defend its interests at the negotiating table. It is unfair that these Members ask for the same blanket S&D treatment that is intended to assist smaller, poorer, and less integrated Members.

We are carefully considering some constructive feedback that we received just before the pandemic reached our shores. We will come

¹ According to the World Bank's GDP per capita (PPP) data for 2019, the five Members are Macao, China (1), Qatar (4), UAE (7), Brunei (10), Hong Kong (11). Note that a few years ago, using 2016 data, we could cite five of the six wealthiest economies: Qatar, Macau, Singapore, Brunei, and Kuwait.

back to Members on our proposal very soon. The U.S. S&D proposal remains fundamental to our vision for WTO reform, and it is not going away.

For today's discussion, and given the length of time since we last discussed this issue, we would like to briefly outline why S&D reform remains necessary.

Since the creation of the WTO in 1995, a large number of self-declared developing Members have significantly differentiated themselves from other Members, particularly LDCs and Sub-Saharan African Members, across a wide range of development-related indicators.

However, this greater differentiation is not reflected in how we negotiate. Other international institutions have attempted to adjust to the new reality, but the WTO remains anchored to a world that no longer exists.

Some relatively advanced, wealthy, or influential Members insist on having access to S&D in current and future WTO negotiations, even though they have the capacity and experience to defend their interests at the negotiating table. These Members believe that only some obligations should apply to them, while all obligations should apply to a small handful of Members.

This is not consistent with the desire that Members expressed in the preamble to the Marrakesh Agreement Establishing the World Trade Organization, to enter into "reciprocal and mutually advantageous arrangements directed to the substantial reduction of tariffs and other barriers to trade and to the elimination of discriminatory treatment in international trade relations."

Unfortunately, trade agreements that could open new opportunities for relatively poor Members and deepen their integration into the global trading system do not materialize because a good portion of the relatively advanced, wealthy, or influential economies refuse to be bound by future WTO rules and commitments.

By demanding the same flexibilities as much smaller, poorer Members, relatively advanced, wealthy, or influential Members create asymmetries that ensure that ambition levels in WTO negotiations remain far too weak to sustain viable outcomes.

Members cannot find mutually agreeable trade-offs or build coalitions when significant players exploit S&D eligibility to avoid making meaningful offers or to refuse new disciplines.

Even if new agreements were possible, the benefits of blanket S&D treatment for LDCs and other relatively poor Members would tend to be diluted by relatively advanced, wealthy, or influential Members receiving the same treatment.

For these reasons, we continue to believe that the WTO faces a stark choice: reform or irrelevance.

We look forward to continuing our on-going conversations with Members on their ideas for how we can advance this proposal and strengthen the negotiating function of the WTO.