Position of Alliance Sud
on the Tenth WTO Ministerial Conference
Nairobi, 15 -18 December 2015

The Nairobi Ministerial must not bury development

The Tenth Ministerial Conference of the World Trade (WTO) will take place in Nairobi, Kenya, from 15 to 18 December 2015. The original aim of the Organization's Director-General, the Brazilian Roberto Azevêdo, had been to conclude the Doha Round there. Launched in 2001 to rebalance WTO rules and disciplines in favour of countries in the South, this Round should have been concluded in 2005, then in 2006, then by countless other target dates, all of them missed. The same thing happened with the cut-off date of 31 July 2015 for the presentation of a work programme for the Nairobi Ministerial. The fact is that after 20 years of existence and with a membership of 162, the gap between developing and developed countries is wider than ever. In the name of "convergence" and "recalibration", the industrialized countries are challenging all the hard-won achievements of 14 years of negotiations. Will the first WTO Ministerial Conference to take place on the African continent finally bury the Doha "development" Round? It is not impossible.

Nairobi issues

DEVELOPING COUNTRIES	INDUSTRIALIZED COUNTRIES (INCLUDING SWITZERLAND)
Development in general	

1, av. de Cour I CH-1007 Lausanne I Phone +41 21 612 00 95 I Fax +41 21 612 00 99 I www.alliancesud.ch/politique
isolda.agazzi@alliancesud.ch

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were much lower.[3]	
LDC proposals	
Market access The LDCs are calling for duty-free and quota-free (DFQF) market access for 97% of their products.	The United States refuses to accept binding measures, especially for LDCs like Bangladesh, Cambodia and Nepal. It is unwilling to go beyond a declaration of intent, as in Bali in 2013. The EU and Switzerland already accord DFQF access for almost 100% of LDC products. "Almost", because, in order to finance its mandatory stocks, Switzerland continues to levy a contribution towards the guarantee fund (effectively a customs tariff) on certain products imported from LDCs.
Rules of origin The LDCs propose that the preferential rules of origin be simplified. Rules of origin serve to stipulate what part of a product must have been processed in a country to be considered as originating from that	

waiver concerning the General Agreement on Trade in Services (GATS) permitting preferential market access for services and service suppliers of LDCs. This is of paramount importance to LDCs, as the sector is growing steadily and contributes substantially to their gross domestic product (GDP); that share is as much as 50% in some sub-Saharan African countries although it comprises a mere 0.5% of world trade in services (LDCs represent 1% of overall world trade). Yet the operationalization of this waiver is not clear, in particular, in the sector of greatest interest to LDCs, which is mode 4 supply of services – movement of natural persons, including low-skill persons. A decision along these lines was adopted at Bali in 2013 but has not been made binding.	countries, including Switzerland, have notified the waivers they grant in regard to LDC services.
Cotton The LDCs propose that domestic support and export subsidies for cotton be eliminated and that they be granted duty-free, quota free (DFQF) market access.	The United States and EU maintain that they are unable to eliminate domestic support and improve market access. The issue is sensitive because some developing countries like China have also started to subsidize cotton. This does not concern Switzerland, and the country already grants DFQF market access.
Fisheries The LDCs wish to strengthen the disciplines on fishing subsidies. But as the sector is crucially important to many of them, they wish to be able to maintain those subsidies that do not contribute to overfishing.	There is no real North-South divide on this subject, but a divergence of opinion between countries that wish to abolish the subsidies (estimated at US$14-20 billion per year) (United States, Peru, Argentina, and Norway…) as they view them as contributing to overfishing and the depletion of fisheries, and those who deny this link and do not wish to eliminate them (Japan, South Korea, Taiwan). This does not concern Switzerland.
New issues	
Singapore issues The developing countries have always been opposed to these issues, at least as long as the Doha Round is not concluded. The attempt by the industrialized countries to	The industrialized countries wish to wind up the Doha Round so as to introduce the "Singapore issues" at the WTO (trade facilitation, investment, government

The LDCs are seeking a waiver of the application of the TRIPS Agreement while they remain LDCs, and this so as to promote generic medicines.	The EU is ready to support the LDC demand not to be required to apply the TRIPS Agreement while they remain LDCs. The United States and Switzerland are opposed to this. They had initially called for a transition period of just 10-years. In the end, a compromise solution of 17 years was found between the United States and LDCs and adopted by the TRIPS Council. Switzer-land will have to rally to the consensus.

Probable Nairobi outcome: mini -package

Far from attempting to conclude the Doha Round, the Director-General, Brazil's Roberto Azevêdo, is aligning himself with the United States and the industrialized countries. He proposes the adoption of the following mini-package:

1. A package for LDCs that includes special and differential treatment in some fields – but for LDCs only -, cotton, services waiver, rules of origins, etc...
2. The elimination of agricultural export subsidies.
3. Transparency measures in anti-dumping rules and fisheries.

(Azevêdo's initial proposal of introducing transparency measures into domestic services regulations elicited opposition from developing countries, which do not wish to further reduce their policy space.)

Switzerland's position and Alliance Sud demands

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state-owned enterprises, export credits, and food aid. Although Switzerland no longer subsidizes basic agricultural products, it is directly concerned by the United States proposal on the elimination of export subsidies because of the "Chocolate law", which serves to subsidize processed agri-

	Besides, creating new categories would open a Pandora's box allowing industrialized countries to divide developing countries so as to better impose their decisions on them.
Singapore issues	
Like other industrialized countries, Switzerland would like to reintroduce the Singapore issues at the WTO – investment, government procurement, competition policy – although they were rejected by developing countries in 2003 in Cancun. Officially, it would be a matter of "conducting an in-depth reflection", but at the WTO, all negotiations that have led to new liberalizations, began officially with an "in-depth reflection"…	Switzerland should cease pushing the Singapore issues, at least while the Doha Round is not concluded. On the one hand, developing countries must be able to retain some policy space on those issues and not be bound by disciplines subject to the WTO Dispute Settlement Body. On the other, they are the topics of greatest importance to the industrialized countries, which if they succeed, would lose interest once and for all in the Doha Round. This is clear from their intention to "bury" it in Nairobi, once they had obtained the Trade Facilitation they