



Trade Negotiations Committee

FORMAL TNC AND INFORMAL HEADS OF DELEGATION MEETING

TUESDAY, 12 DECEMBER 2023

*Chair's Report and Oral Reports by the Chairperson of the General Council and
the Chairs of the Bodies established by the TNC*

Report by the Chairperson

1. Picking up from the GC Chairperson's report, it is clear that now is the time to finalize the political message and signals that we want our Ministers to deliver at MC13. Excellencies, we know the world economy is not in good shape. We know people are bearing the brunt of slow growth, volatile prices, climate impacts, and debt pressures. We have a responsibility to contribute to efforts to reinvigorate growth and opportunities for people everywhere. Whenever I meet Leaders, Ministers, and other stakeholders this is the message I receive. We must have a substantive and meaningful Ministerial with concrete results.
2. It is welcome that stakeholders increasingly understand that trade is part of the solution for so many contemporary global challenges we are facing – but we still have the onus on us here in Geneva to deliver. Even this morning, I was talking to a Minister about the budget. The first thing he asked me was, what is Geneva delivering? In order for them to be supportive of this, we need to deliver. I just mentioned that – that people are expecting us to continue to have output. This is why I want to dramatize Geneva.
3. As we all know, trade is critical for ensuring food security. We all know that 1 in 5 calories consumed worldwide is traded. From your work here in Geneva, the mini-ministerial last month on agriculture convened by the UAE, and, comments elsewhere by Leaders and Ministers, it is clear that Members attach high premium to the WTO agriculture negotiations and want MC13 to take meaningful steps forward on the overdue agriculture reform.
4. We need to find ways to break out of the quarter-century-long stalemate in these negotiations. I know I am jawboning you but I really mean it. We have to find a way. This is about strengthening the multilateral trading system, but more importantly, it's about doing our part to address the challenges of hunger, malnutrition, poverty, livelihoods, and ensuring food security in a changing world.
5. We heard from the CoA SS Chair, Ambassador Acarsoy, what I consider a very sobering report. He has done his best to try and find common ground. Yet divergences continue to be deep. But they are not only deep. Sometimes they feel bitter – and I was sad to hear what he had to say. Nevertheless, he vows that he will move on and he is urging Members to try and help him now build up what they want to see at MC13. This is your homework now in agriculture. The CoA SS Chair has tried from many approaches – and we had the mini-Ministerial on agriculture.
6. Your homework on agriculture is to reach out to each other – to those with whom you have differences – and see if you can come to some agreement about how to move forward in this area. We have all heard the report. We all know each other's positions well. We have known them over the years – so I hope you will also work with the CoA SS Chair so we do not arrive at MC13 empty-handed on agriculture and food security. That would be a sad state of affairs. So, I urge you on this one and I would like to hear your views during your interventions on ideas you have about how we might act on the suggestions made by the CoA SS Chair.

7. If we do not use the opportunity of MC13 to break through the stalemate and if we cannot find a way forward for MC13 then it may be something that is somewhat of a lost cause. We do not want that to be the case. That is why I am sounding the alarm now about trying to work with each other during the break and finding a way forward.

8. Turning to development, I am encouraged by the rejuvenation of discussions in the CTD SS. From the report of the CTD SS Chair, Ambassador Hassan, discussions continue on the G90 Agreement Specific Proposals including on SPS and TBT. Let me also join her in thanking the facilitator from Singapore – Mr Jia Jie Loh for his work with delegations. We truly appreciate that.

9. It is also encouraging that additional textual proposals have recently been circulated on trade-related investment measures, transfer of technology and balance of payments. What heard on development from most Ministers in yesterday's mini-Ministerial was also quite encouraging. And I am hoping that building on that, Members will heed each other's willingness to move forward, look at what has already been achieved here with Annex 1, and look towards how to build on all of these to deliver some specific outcomes for MC13. I know that there are a lot of papers and requests that are out – but from all these, I do believe that there are two or three deliverables on the development that we can work and feel confident to deliver for MC13. So, thank you for the goodwill and I hope to see work on Annex 2 and the SPS and TBT proposals, at the very least, move forward.

10. Concerning fisheries subsidies, the homework is two-fold: concluding the second wave of negotiations as soon as possible and depositing instruments of acceptance of the Fisheries Subsidies Agreement for those who have not yet done so.

11. Excellencies, I want to remind you that the entry into force of the Agreement for Fisheries Subsidies remains a deliverable for MC13. It is not your usual affair of dragging out the ratification process for several years. It is a deliverable. The reason we have talked about doing it quite quickly is that we need to implement this agreement. It is a sustainability agreement which means that the longer we drag, the more we deplete our oceans. I am urging you to think about it in that way. It is not something that we can afford to delay beyond MC13.

12. Let me thank those who have ratified. This morning, Chile presented its instrument of ratification and it was a nice way to start the day. Thank you so much. Before we leave, let me read out the list of Members who have ratified: Albania; Australia; Belize; Botswana; Canada; Chile; China; Côte d'Ivoire; Cuba; the European Union comprising of Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, The Netherlands, Poland, Portugal, Romania, Slovak Republic, Slovenia, Spain and Sweden; Fiji; Gabon; Hong Kong, China; Iceland; Japan; the Republic of Korea; Macao, China; New Zealand; Nigeria; Peru; Saint Lucia; Seychelles; Singapore; Switzerland; Ukraine; the United Arab Emirates; and the United States.

13. We have ten that we expect to get before the end of the year: Brunei Darussalam; Cabo Verde; Dominica; The Gambia; Kenya; Papua New Guinea; Rwanda; Senegal; Türkiye and the United Kingdom. Tomorrow I am expecting Cabo Verde, The Gambia and the United Kingdom. I want to thank you all. For those who were not mentioned, you know what to do. This is a deliverable. If we do not make this, those Members who have not deposited will be responsible for denying us a deliverable for MC13. So, as you go for your holidays, please come back with this ratification in your pocket. We are making good progress. I am proud of the way Ambassadors are chasing up on this. I am encouraging you to come back with it in your pocket so that we can make it for MC13.

14. As the NGR Chair pointed out on Fish 2, we have made significant progress. The elements we need are there. We are within striking distance. The political will that we need is there. The roadmap has been set out. We are waiting for Fish Month. I feel very hopeful. When I was in the room the last time for the last plenary, the atmosphere had changed somehow. There is a willingness to get this done. I hope we can count on that.

15. On Services, I find it strange that this organization cannot make significant advances on an issue so critical to the present and future of trade, and of trade-led growth, development, and job creation. The CTS SS Chair, Ambassador Zhanar, and I have spoken about this issue. She has heard Members' strong interest in discussing services building on Paragraph 10 of the MC12 Outcome

Document. While interest is good, action is certainly better. I therefore hope that all of you will work together to find a mutually agreeable way forward.

16. As we approach MC13, I would also like Members to think about the messages you may wish Ministers to send at MC13 – both in the areas I just mentioned as well as with respect to other areas of WTO negotiations that we may not have dwelt on, including Geographical Indications for Wines and Spirits, the work in the CTE SS, and market access, among others.

17. On WTO Reform, we will hear more about this at the GC, but I want to take this opportunity to thank the Membership for your constructive engagement on this issue. You've tabled many proposals, held a number of retreats, and conducted work as instructed in several WTO Bodies.

18. The October Senior Officials Meeting blessed our Reform-by-Doing work to improve the day-to-day functioning of WTO Councils, Committees and Negotiating Bodies. With regard to the goods area alone, 127 measures have already been implemented, from training new delegates on how committees work to the annotated agendas delegations are benefiting from.

19. On dispute settlement, which remains a top priority for the Membership and external stakeholders, I have remained in contact with DPR Marco Molina (Guatemala) and I want to thank him for his work. I understand that he will be making a report to next Monday's DSB.

20. It is encouraging that you are working towards a good report card to Ministers on all of these issues and I hope this positive spirit will extend after we have rested a bit over the holidays.

21. Excellencies, as TNC Chairperson and Director-General, I will play my part with the Secretariat in assisting you to work as hard as possible, as long as possible, round the clock when we come back. That is what we are going to dedicate ourselves to. I want to wish all of us the best in trying to digest what we have heard today from the Chairs as they reported and trying to figure out how we talk to each other so that we can negotiate and make the necessary compromises.

Closing Remarks

22. Following what we have just heard, let me conclude by saying the following. The first is the winter homework. You are going on break and I would like you to take some homework back with you. I hope you can brief your respective Capitals on the current state of play in the lead up to MC13 at least from the TNC perspective. Having briefed them, I hope they can give the requisite guidance and support so that when you come back in January, you will be well equipped with the needed flexibility to be able to compromise, put your talking points away and genuinely engage with each other. I also hope that you would be able to assist the respective NG Chairs to move forward on the negotiations so that we can feel a sense of momentum leading up to the next TNC. We will convene another Formal TNC and Informal HODs prior to the 14 February Special General Council meeting. I will come back to you with a date on that. But we will try to hold off as much as possible to give enough time for negotiations to mature since that would be the last TNC. We do have a timing issue since everything we have to send to Ministers has a timing – which is 14 February. This means that the TNC will be held a little bit before that. But I would like to give us all of January to try and work.

23. When we come back, we are going to intensify the processes. I reiterate what was said earlier that those who are not fortified here, please fortify from the Capital. All the efforts will be made to give them access to participate in the negotiations. I thank all of you for the inputs today. Some of them have been extremely useful. They are all thoughtful. I hope we can take some into account to help guide us to the next step.

Statement by the Director-General on Administrative Matters

1. Excellencies, let us now turn to the Extended HoDs. I would provide updates on COP28, the Secretariat Transformation and Strategy, the Civil Society and Business Advisory Groups to the Secretariat, and the WTO Secondment Programme for Government Officials.

Update on COP28

2. Excellencies, if you will recall, at COP26 in Glasgow, trade and the WTO were viewed as part of the climate problem. When we saw this, since then, we've made efforts to turn this narrative around. Last year, for example, we launched the World Trade Report - "Climate Change and International Trade" at COP27 – which was well received – and I encourage those who have not read this report to take a look at it. For the first time, trade featured as a specific theme at a UN climate conference this time around, under the United Arab Emirates' presidency of COP28. I must thank them and Minister Al Zeyoudi and Ambassador Ali. They were supportive and helpful during the time we were at COP28. The WTO and the UAE, in cooperation with UNCTAD, ITC, ICC and WEF launched the "Trade Day" at COP28. We had a Trade House throughout the Conference to host in-depth discussions of how trade can help drive climate and sustainable development actions. We are happy to welcome some of the key trade negotiators. We had important people coming in and out of the Trade House.

3. In line with the mandate in the WTO's founding agreements to advance trade in a manner that promotes sustainable development, the WTO Secretariat developed a 10-point set of "Trade Policy Tools for Climate Action," in support of COP28's spotlight on trade as a lever for climate mitigation and adaptation. We were very careful to make sure the toolkit did not reflect anything of Members. That was clearly labelled as a WTO Secretariat product. It was extremely well received and it builds on the Secretariat's research work to shed light on ways that trade, and trade policy can help accelerate and amplify climate action. I hope that you have time to take a look at the Executive Summary. It explores how integrating trade policy options, such as reviewing import tariffs on low-carbon solutions into national strategies that can help economies mitigate the effects of climate change and adapt to its consequences. Other examples include rethinking government procurement, repurposing environmentally damaging subsidies, facilitating green trade and the coordination of climate-related internal taxes including carbon pricing and equivalent policies, and using international standards to avoid fragmentation when upgrading energy efficiency regulations, among others. These all received a positive response.

4. I also reiterated the message that, at the request of the Steel Industry, the WTO has played an active role towards harmonization of the multiple fragmented approaches to setting decarbonization standards for steel. The principles provide a framework for a more coordinated approach – especially as many developing countries have encountered difficulty in following the fragmented approach. We have also launched a carbon pricing task force together with the World Bank, IMF, OECD, UNCTAD and other UN agencies. There is a great deal of complaint of more than 73 approaches to carbon pricing – some of which are seen to bring measures that can be viewed as protectionist by Members. The idea in the international community now is to develop a coordinated approach or framework to carbon pricing that can be easier especially for developing and LDC Members and MSMEs and business in general to navigate.

5. I also recommend to you a joint report by the WTO Secretariat and the International Renewable Energy Agency (IRENA) providing insights into global hydrogen market and global hydrogen trade and policies for scaling up production. Production of hydrogen exclusively produced from renewable power – known as green hydrogen – can help in our decarbonization objective as it is a viable replacement at least for those wishing to phase out fossil fuel. The report is available at the WTO website. All of these are clearly labelled as WTO Secretariat efforts. They do not compromise any Member. At COP28, we were joined by Trade Ministers, Foreign Ministers and Environment Ministers from some of our Members including Colombia, The Gambia, Barbados and the European Union, among others. We are grateful to all of them for sparing the time to join us.

Business and Civil Society Advisory Groups to the Secretariat

6. Let me now update you on my second virtual meetings with the Business and Civil Society Advisory Groups that took place on 23 and 24 November, respectively. The Civil Society Group shared views with the Secretariat on the importance of developing more inclusive trade policies.

They saw that as something that outside stakeholders are looking for. Many Members have also said the same and are working on this. They talked about the re-globalization of supply chains and the role of MSMEs in that – bringing re-globalized supply chains to developing country Members and LDCs which was seen as a positive both for creating jobs, employment and building resilience – something that we have also been promoting. With the Business Advisory Group, they shared views with us on how they are navigating the current geopolitical tensions, the impact of this on supply chains and the effects of the broader global economic slowdown. It was very interesting to hear from the point of view of those who are actually doing trading and business – how the global environment is impacting them and what this means in terms of some of the things that the WTO is doing on the trade side. Those are interesting insights to have from the outside. It reminds me of what was mentioned today – getting a view from the outside and getting a view that is realistic, that grounds you and takes you outside of Geneva.

Secretariat's vision and strategic pillars

7. In July I shared with you the Secretariat strategy house produced in the first step in our strategy work. Since then, we have made good progress towards the development of the Secretariat's strategy 2030. Seven Working Groups have been established and are elaborating the content of the five strategic pillars and two enablers of our strategy house. We are now beginning stakeholder engagement on the preliminary directions of the Secretariat strategy. We proposed to hold a Technical Level meeting for Members to seek their views and inputs on 19 December and we will hold another one for as many Members who wish to interact on this and give comments. I hope that some of your experts will participate in these meetings. We hope to wrap up the strategy in 2024 and then we can translate this into concrete, timebound plans and put in place mechanisms to ensure implementation and coordination.

Secretariat's other transformation workstreams

8. On the digital transformation, despite budgetary constraints, we continue to deliver improved digital tools, supporting Members' "Reform by Doing". Recent achievements include the launch of new eDelegate application and Import Licensing Online notification tool and plans to revamp and relaunch the online Questions and Answers for Trade Policy Reviews. We are exploring several potential applications for generative AI and making good progress towards the introduction of an intelligent search tool for you – something that has been demanded by many of you. Let me share news with you that for the first time we are getting a Chief Risk and Compliance Officer. The Secretariat does not have Risk Officer so we will have one who will be joining in January 2024. We have also completed the majority of work on other aspects of the transformation such as procurement, non-monetary rewards, a new promotions policy and the recruitment policy. We continue to make changes. Just as we are trying to "Reform by Doing" among Members, we are also doing reform with the Secretariat. The results are beginning to show.

WTO Secondment Programme for Government Officials

9. The WTO has initiated a Secondment Programme for government officials to facilitate collaboration and knowledge-sharing between Members and the Secretariat. This is new. Interested Members will collaborate with the Secretariat to identify specific projects and roles suitable for secondment. Secondments will have a duration of 12 months, with a possible extension of up to 24 months. The Member seconding will also be required to sponsor an official from a developing country Member or an LDC Member for secondment. So, if you are seconding, you have to also sponsor a secondee from a developing country Member or an LDC Member. Secondees will be expected to report and work within the WTO system and respect the impartiality and independence of the WTO. Following secondment, a mandatory 12-month cooling-off period will be imposed before any secondee can apply for positions within the Secretariat. If you are interested, please contact the Human Resources Division for further information.

ANNEX

**ORAL REPORT BY AMBASSADOR ATHALIAH LESIBA MOLOKOMME (BOTSWANA),
CHAIRPERSON OF THE GENERAL COUNCIL**

1. Good morning colleagues. Let me start by thanking you – Director-General – for this opportunity to provide a transparency report to the Membership including on the ongoing work on a possible Ministerial outcome document.
2. Building on the guidance and support we received at the October SOM and Members' discussion at the 1 November Informal General Council, I held further consultations on the way forward to MC13 – including on a more fleshed out roadmap and working towards a possible MC13 outcome document.
3. Three guiding principles were affirmed during my consultations. These were:
 - a. all processes leading to, and at, MC13 should be open, transparent, inclusive, and Member-driven; should not overburden delegations and take account of capacity constraints, especially of smaller delegations;
 - b. ongoing efforts in regular bodies and negotiating groups should be allowed to progress – with a view to completing – as much of the work in Geneva ahead of MC13, to the extent possible and,
 - c. all efforts in Geneva should facilitate shaping a focused and balanced agenda for MC13.
4. On the road map, following Members' request, I provided more details on the pitstops in the remaining weeks until MC13. This can be found in my report in [JOB/GC/371](#). Let me simply highlight that I have tentatively scheduled a special GC meeting on Valentine's Day, 14 February 2024. The purpose of this meeting would be to take account of all work for MC13 and transmit it to Ministers.
5. Concerning the work towards a possible MC13 outcome document, on 29 November, I launched the drafting session to discuss the contours of the scope of such a document with a core drafting group.
6. I put together a group of slightly over 40 delegations that is as broadly representative of the Membership as feasible. I therefore invited:
 - a. Coordinators of groups that in general, share a common negotiating position;
 - b. Those Members who do not belong to any group; and,
 - c. Those who are in regional groups which do not have common negotiating positions.
7. Director-General, Excellencies, I know that this might not be the ideal formula. But we also have to be pragmatic and realistic. As I have indicated to Members on several occasions, I believe that the composition of this group will further organically evolve as we progress.
8. To ensure that every Member has the opportunity to follow the work of the drafting group in real-time, a listening-in room has been made available.
9. As you may recall, based on what I heard during my consultations, I circulated a zero-draft skeleton of a possible MC13 outcome document on 27 November. Since then, I have held four drafting sessions.
10. The focus of the first session was to discuss the contours/scope of such a document. Delegations expressed views on the process in particular the composition of the drafting group, and on the substance. Taking into account of what I heard, I circulated a revised draft skeleton.

11. The second session was devoted to deepening the discussion on the revised draft skeleton. This draft was re-structured into two parts. Part 1 focused on the broad political messages that Ministers would want to put across – including by,

- a. Taking stock of and acknowledging progress been made in different work streams,
- b. Welcoming outcomes, and
- c. Providing political guidance on way forward as appropriate.

12. Part 2 would reference any possible specific decisions/declarations. This part would be the outcome of ongoing processes. This is why for now we have parked Part 2. DG, allow me to reiterate what I have said in the past weeks – which is that the work in this drafting process is not intended to and will not prejudge any outcome/s nor duplicate ongoing processes. From what we have heard from the Negotiating Group Chairs, this is an important issue to keep in mind.

13. As a result of these discussions, I circulated Version 3. The texts in purple reflect matters subject to ongoing processes and will not be the subject of this process. The process is focusing, for now, on texts in black. I also underscored that the colour coding and the placement of items in either Parts 1 or 2 should in no way be construed as imposing any hierarchy on the topics. These are simply tools to assist in better organizing our work. I also provided a non-exhaustive list of issues in italics that Members had mentioned – but on which views currently differ.

14. With these changes, the third session focused on getting Members' views on possible elements and sub-elements under each of the headings in Part 1.

15. Based on these discussions, on the fourth session, I shared with all Members a Working Draft text – Version 4 – taking into account the elements, sub-elements, suggestions, and comments from Members. My hope is that Version 4 will allow us to transition to a paragraph-by-paragraph discussion of draft text in January.

16. As it stands, Part 1 reflects the following topics:

- a. Thanking the MC13 Host
- b. Reaffirming the WTO's principles, objectives, and role in its 30th anniversary
- c. WTO Reform including overall reform process, reform by doing, DS Reform and deepening dialogue on trade issues
- d. Development including LDC issues
- e. Trade and Sustainable Development
- f. WTO Negotiations including agriculture, fisheries subsidies, S&DT, and other negotiating areas in Negotiating Groups, and
- g. WTO Accessions

17. Part 2 refers to WTO Regular Work – the outcome of which would depend on the ongoing processes. That is why the entire Part 2 is in purple text. For the same reason, DS Reform and WTO Negotiations are also in purple text.

18. Given that delegations only received Version 4 on Friday morning, I used Friday's meeting to simply present and explain what is reflected in this draft, and did not open the floor for discussions in order to provide delegations time for reflection during the winter break – including consultation with other delegations and Capitals.

19. Let me emphasise that to ensure maximum inclusion, I have shared the revisions of every draft version by circulating it to all Members after each drafting session. I have also reassured delegations that as GC Chairperson, my door is always open to any delegation to hear their views on both the process and substance.

20. I clarified at the outset that the draft text was prepared under my sole responsibility as the GC Chairperson and that it is not static and will be modified as appropriate in light of Members' discussions. As with previous drafts, this revised draft, version 4, remains in big square brackets – with the end result depending on the full Membership.

21. I also pointed out that the language used in this draft was built from the elements that Members shared during our discussions. And based on this, as appropriate, inspiration was also drawn from previous WTO Ministerial Declarations.

22. In addition, the headings and numbering that have been used in this draft are purely illustrative and intended for ease of reference during our discussions. These could therefore change or evolve as we go along.

23. DG, colleagues, let me also recall that Members mentioned that there are other issues that they are working on with others – which are currently not reflected anywhere in this current draft. In response, I informed delegations that I remain in the hands of the Membership on how you wish to progress – including on the timing for bringing in these issues should you wish to do so.

24. What I pointed out however, was that given the short time left – we would not like to find ourselves at the 11th hour with a large number of issues that not all Members have engaged on fully to arbitrate.

25. In the meantime, I hope that delegations will use the winter break to consult with their Capitals and other delegations – especially those with differing views – and return in January in a convergence-building drafting mode. Echoing what all of you have said, we do not have much time, so we need to efficiently use the short time left.

26. In this regard, in order for Members to have more time to advance work in the Negotiating Groups and Regular Bodies – as you have said you want to – I urge all of you to reach out to each other to find mutually acceptable ways forward in the areas that we know views differ. As I said on Friday, doing this early will give us a better chance of aiming to close this exercise by the end of January.

27. My intention is that the drafting group process resumes work in the second week of January. I am fully cognizant of the Fish Month. We will coordinate to ensure that we have spaces and time for both processes and not overstretch everybody. But we will have to put our knees on the bundle – as we say in my language. The Secretariat will communicate the precise schedule to you in due course.

28. DG, colleagues, as I end my transparency report, I would like to sincerely thank all delegations for their hard work and engagement, which has permitted us to make important advances within a short span of time. I thank delegations for the cordial and constructive manner in which you have engaged and look forward to continuing in this same spirit next year.

29. As I indicated last week – given that this is only a transparency report – which I will simply refer to at the GC meeting which starts tomorrow afternoon, I take this opportunity to urge all Members to exercise restraint in commenting on the specifics of the draft text at today's TNC and during the GC Meeting. We will have the occasion to do this when we resume this exercise in January.

30. This concludes my report.

**ORAL REPORT BY AMBASSADOR ALPARSLAN ACARSOY (TÜRKIYE),
CHAIRPERSON OF THE SPECIAL SESSION OF THE COMMITTEE ON
AGRICULTURE AND SUB-COMMITTEE ON COTTON**

1. Please allow me first to say a few words about the consultations I have been holding since the last TNC in October, and then to present my views on the current state of play in the agriculture negotiations and the way forward.
2. I have continued the monthly meetings of the CoA Special Session, as well as the Dedicated Sessions on Public Stockholding with a focus on specific elements, and on the Special Safeguard Mechanism. I also held a Quad plus meeting on cotton. These meetings provided Members with an opportunity to introduce new proposals, and to the extent possible for the whole Membership to engage in focussed element-by-element discussions based on these inputs.
3. On a positive note, we now have proposals on almost all negotiating topics on the table, including on PSH, domestic support, market access, SSM, export restrictions, including one by LDCs, cotton, as well as on food security in general. I also welcome the several new submissions on agriculture and food security that will be introduced at the General Council later this week.
4. The number of submissions confirms the interest of Members in achieving an outcome on agriculture. This is a message that I also hear in my bilateral consultations. I was also encouraged by the willingness of several groups of proponents to engage with Members with different views in order to explore ways to narrow the gaps in negotiating positions and find commonalities among the different proposals on the table.
5. As stressed previously, one of the main challenges is to find an appropriate balance between the different priorities and levels of maturity of the issues under negotiation and the need to preserve a comprehensive and balanced approach in which all Members can envisage trade-offs, while taking into account Members' different priorities.
6. Thanks to your leadership, Director-General, as well as the leadership of His Excellency Dr Thani Bin Ahmed Al Zeyoudi, Minister of State for Foreign Trade of the United Arab Emirates, we benefited from the high level political exchanges on the agriculture negotiations, during the Senior Officials meeting on 23 and 24 October and the mini-ministerial meeting on 28 November.
7. These high-level meetings were very timely, but unfortunately confirmed the deep schism in Members' positions on some key negotiating issues.
8. I have therefore intensified my bilateral consultations with Members to find a way out of the current impasse in the agriculture negotiations. Having heard from Members individually, I am now organising a further series of bilateral meetings to listen to Members and test some ideas on what could constitute a realistic basis for a possible outcome at MC13.
9. In short, there continues to be very divergent views regarding approaches and preferences as to whether there needs to be a sequencing of negotiating topics or a more holistic approach under which all issues are considered concurrently as well as the levels of ambition sought. Some Members would like certain issues to be resolved first (such as Public Stockholding, domestic support, the SSM and/or cotton), while others are calling for a more holistic approach or for topics to be advanced in parallel. This is particularly the case for domestic support and the PSH, but also for market access and SSM.
10. Some Members consider that an outcome at MC13 should clearly define guidelines and parameters for the post-MC13 negotiations, including with a view to agreeing on modalities by MC14. Some Members would be prepared to consider some deliverables on certain issues that they consider relatively more feasible (such as transparency and export restrictions) while giving direction to the other subjects for the post MC13 negotiations. While all Members stress the need to have an outcome on food security, the same divergences emerge in the discussions, including on how to best achieve this objective.
11. There is clearly a lack of convergence in Members' positions on the key negotiating issues; in some instances positions have hardened as we get closer to the Ministerial.

12. One of the conversations during these consultations unfortunately went beyond criticism. It was unpleasant, unacceptable and lacked diplomatic courtesy. I do not believe this should be the way to do business here in the WTO.

13. With these, I have therefore decided to end the consultation process and cancel the CoA Special Session meeting scheduled to have taken place on 13 December. I am planning to hold the next meeting of the CoA Special Session and Dedicated Sessions on PSH and SSM on 16 and 17 January.

14. We are fast approaching MC13. While it will not be the end of the road, a result at MC13 on agriculture would help Members take a much-needed step forward with some immediate results and a clear direction for our work after MC13. So I urge Members to submit their proposals for a possible MC13 outcome.

15. This concludes my report.

**ORAL REPORT BY AMBASSADOR EINAR GUNNARSSON (ICELAND),
CHAIRPERSON OF THE NEGOTIATING GROUP ON RULES**

1. Thank you, Director-General, for the opportunity to report to the TNC. Since our last TNC on 10 October, a lot has happened. First, on 24 October, Senior Officials strongly endorsed the work of the Negotiating Group on Rules and instructed us to work toward concluding negotiations by December. In the two fish weeks that we have held since then, in early November and last week, Members have been working tirelessly to find convergence, particularly on the overcapacity and overfishing disciplines and special and differential treatment.
2. On the disciplines, there has been a strong call across a broad spectrum of Members to continue to work to develop a two-tier hybrid approach for the disciplines, applying stricter standards to certain Members. This is the approach taken in the starting point document that I circulated to Members in September as the basis for our work this fall. Given this strong call, much of the NGR's work over the last few weeks has focused on how such an approach could be refined and operationalized, namely:
 - a. How the sustainability-based conditionality could be tightened, particularly for the top tier. On this point, some useful elements emerged from the discussions; and
 - b. What criteria would be most appropriate and implementable to determine which Members would fall under which tier. Several options have been proposed including criteria based on aggregate subsidization or subsidy intensity, and on
 - c. Conduct of distant water fishing or large-scale industrial fishing. These discussions have been useful in identifying the respective strengths and weaknesses of each criterion that has been explored, and Members appear to be narrowing the options under active consideration, and even considering possibly combining some criteria.
3. While some Members remain unconvinced of a two-tier approach, all Members have remained open-minded and constructive in engaging on how such an approach could possibly work. This is very important, as we will not be able to use a two-tiered approach to sustainability-based conditionality if we cannot decide on the criteria for defining and applying the two tiers.
4. In preparation for our last fish week, I circulated on 1 December document [RD/TN/RL/184](#), in which I attempted to capture some of the ideas put forward by Members for further developing Article A.1 and B of the draft disciplines.
5. During our eighth and last fish week of the year, just concluded last Friday, we spent the first two days in plenary. The first plenary focused on reactions to document 184 and the second plenary focused on additional views regarding other provisions not contained in document 184.
6. To be very candid, after those two plenary meetings, I was not optimistic. I provided my frank assessment to the NGR on Tuesday afternoon, that given the inability of most Members to move from their long-held positions, we were not on track to meet our target to conclude the negotiations by December, or even by MC13. And, at that time, I informed Members that I intended to report the same to this TNC unless there was a shift during the course of the week.
7. We spent the following three nights in brainstorming mode, in what I call the WTO dungeons, where Members shared ideas, clarifications and possible avenues towards convergence. By Friday's closing, I was happy to note a more positive tone which indicated to me that an outcome on fisheries subsidies by MC13 remains within reach.
8. In particular, many Members expressed hope and commitment to conclude by MC13, through an intensified process in January.
9. I concluded the fish week agreeing with such sentiments, and noting that we will need to redouble our efforts in the New Year and to anticipate a "fish month" rather than "fish weeks" when we return from the holidays. I promised to come back to Members with more thoughts on the best way forward at this TNC meeting.

10. In this regard, after further reflection, it is clear to me that with the large task ahead of us, we will need to be in intensive, continuous negotiating mode during all of the available time in January and February. In looking at the calendar, I intend to schedule the fish month from 15 January through 9 February, to coincide with the GC Chair's suggested deadline of 14 February for transmitting documents to Ministers.

11. Therefore, I hope that Members will come back well rested and reinvigorated after the end of year break and ready to work around the clock from mid-January. If Geneva delegates already feel overwhelmed by this prospect, then I suggest you ensure Capital reinforcement is on the ground for this period. If we are serious about delivering an outcome on the second wave of fisheries subsidies negotiations by MC13, then it will have to be all hands on deck. I will circulate this work programme by the end of the year so that delegations can prepare.

12. Finally, I also heard Members' calls during the last fish week to issue a text that could form the basis of our intensive work in the New Year. I am seriously considering what elements can be drawn from our most recent discussions. Whatever I may produce will be my best attempt at capturing what I see as a possible landing zone. I will also undertake to ensure that whatever is circulated is workable from a practical standpoint. I urge Members to read the text from the point of view of whether it gets us closer to convergence. In this context, the reason my assessment of last week's discussion of document 184 was so sobering was that most Members expressed disappointment that all their positions were not reflected. Let me emphasize that we will not reach an outcome if each and every Member expects its own point of view to be the basis of our work. Nor, despite the current season, is this the time to create a Christmas tree overloaded with all possible ornaments. So, I urge Members to put on a different lens when reading this upcoming document.

13. Between now and the end of the year, as I reflect further on these next steps, I may be in touch with Members if needed, to seek additional clarifications. The point of any such meetings will not be for individual Members or groups to reiterate your positions. As I have frequently said, you are not negotiating with me, but with each other. My responsibility is to help all of you to find greater convergence in that process of negotiation, and for that I need to listen to all voices in the room.

14. So, with that, I hope everyone has a wonderful and well-deserved break. I apologize in advance if I add to your holiday reading list.

15. This concludes my report.

**ORAL REPORT BY AMBASSADOR KADRA AHMED HASSAN (DJIBOUTI),
CHAIRPERSON OF THE SPECIAL SESSION OF THE COMMITTEE
ON TRADE AND DEVELOPMENT**

1. As I have previously reported, the CTD SS is implementing a process proposed by the G90 to advance work on their ten Agreement-specific proposals (ASPs) on S&DT. The process consists of a series of formal meetings to have in-depth discussions on each of the ASPs, complemented as necessary by informal meetings and technical workshops.
2. In practical terms, I am taking forward the agreed process by appointing a number of facilitators to assist me. The facilitators have the task of holding informal technical and focused discussions with Members on the ASPs under their responsibility, with a view to finding landing zones and areas of convergence.
3. Following the circulation by the G90 earlier this year of textual submissions on the ASPs concerning the SPS and TBT Agreements, I announced Singapore as the facilitator for these two proposals.
4. The facilitator from Singapore – Mr Jia Jie Loh – subsequently met bilaterally with delegations that so wished, in order to hear views on how to structure the informal work going forward. Following from these bilateral meetings, he organized an informal open-ended thematic session on relevant SPS and TBT issues, which was held on 4 October. I personally attended that workshop which was well-attended and helpful.
5. At the CTD SS meeting on 23 November, Mr Loh provided a summary of the work that he undertook over the past few months, including the organization of the thematic session.
6. He reported, *inter alia*, that the Secretariat made detailed presentations at the thematic session on the SPS and TBT Agreements – including existing flexibilities within them, how the flexibilities have been implemented, and relevant work of the SPS and TBT Committees. Several developing country Members shared their experiences and challenges in the field of SPS and TBT, including difficulties in adapting to other Members' higher SPS and TBT requirements and standards. On technical assistance, some Members called for programmes to be more needs-based and results-driven, including on complying with new SPS and TBT measures in their export markets.
7. Mr Loh's full statement to the CTD SS has been circulated in document [JOB/TN/CTD/5](#). I would like to take this opportunity to express my appreciation to Mr Loh for his efforts to advance the discussions on the ASPs relating to the SPS and TBT Agreements. Members were also appreciative of his work and the thematic session that he organized.
8. The meeting on 23 November further provided the opportunity for delegations to exchange views on the next steps regarding these two proposals. In this regard, I noted differences in perspectives on the way forward. Some delegations believed that the time was right to move to text-based negotiations on the two ASPs. However, some other delegations were of the view that further evidence-based and experience-sharing discussions were needed in order to better inform Members on relevant issues.
9. At the same meeting of the CTD SS, the G90 announced the circulation of three new textual submissions relating to the ASPs concerning Section B of GATT Article XVIII, the TRIMs Agreement and Article 66.2 of the TRIPS Agreement on technology transfer. It was indicated that further submissions would be made in the coming weeks.
10. In light of the circulation of these new textual submissions, I shall be shortly appointing additional facilitators for the relevant ASPs and will keep Members informed.
11. As I have said before, we are dealing with very important issues in the CTD SS. The issues that are contained in the ten ASPs are not only important to the proponents and other developing countries but are also systemically important to the Organization as a whole and the entire Membership.

12. The importance of S&DT was reaffirmed by Ministers in paragraph 2 of the MC12 Outcome Document. It is the language in this paragraph that has been guiding the work of the CTD SS since MC12. Furthermore, during the Senior Officials Meeting which was held in Geneva on 23 and 24 October 2023, the ongoing process taking place in the CTD SS was welcomed.

13. I call on Members to seize the opportunity provided by this much-needed political guidance to engage in positive and results-oriented discussions in the lead-up to MC13.

14. I particularly urge delegations to take advantage of the facilitation process that has been put in place. In this regard, please continue to work constructively with Mr Loh in order to make progress in the discussions on the ASPs relating to the SPS and TBT Agreements. I would also expect delegations to welcome the new facilitators that I will be appointing soon and be willing to work closely with them as well.

15. Furthermore, I am also always available to discuss issues relating to the CTD SS, and to facilitate discussions among Members as required. At this juncture, it is important that delegations go beyond rhetoric by delving into the substance of the proposals so that we can find convergences where they exist.

16. I remain hopeful that, with the right amount of political will – and working together in good faith and with open minds – delegations can find solutions to their respective concerns and challenges, so that we will be able to achieve concrete outcomes on S&DT at MC13. The time remaining is short, but the issues are important enough for all Members to make the necessary efforts for this to become a reality. The issues have been on the table for a long time – and everyone is already familiar with them. Please use your time effectively and do not hold back in efforts to find solutions to these critical issues. I hope that during the winter break, you will keep in mind that when you are back, we need to work in full speed.

17. This concludes my report.
