

No Export of Food at MSP Price to WFP

Trade Ministers from the 164-member WTO managed to arrive at a consensus on a modest trade package at MC-12 in Geneva, covering a number of important areas although commitments in some did not run deep.

Fisheries – No Curbs within 200 nm in EEZ

The fisheries agreement has put curbs on subsidies that contribute to illegal, unregulated and unreported (IUU) fishing. The final document has paragraphs removed that related to curbs on subsidies contributing to overcapacity and over-fishing within the Exclusive Economic Zones (EEZs). This means that WTO members, both developed and developing, will not have to bring down subsidies given to fishers fishing within 200 nautical miles of the shore. This will be further reviewed in four years.

India agreed to exempt WFP purchases from export restrictions but its demand of allowing G2G exports for humanitarian purpose from public stocks was blocked.

World Food Programme exemption

Singapore had floated the proposal of exempting purchases made by the WFP from any export restriction in 2018 to ensure global food security. This was agreed upon at MC12 with a simple caveat — it shall not be construed to prevent the adoption by any member of measures to ensure its domestic food security.

India cannot export through WFP from subsidized public stock holding. India did manage to protect fishers operating within the EEZ from subsidy cut commitments. However, this exemption is not in the form of special and differential treatment for developing countries but has been extended to all. This steals the advantage that was initially envisaged by India for its own fishers.

India's gains have been limited as there has been little movement in the key area of finding a permanent solution for public stock-holding. Although India had negotiated a peace clause earlier, which protects it against action from member-countries in case its food procurement (MSP) subsidies breach the existing cap of 10 per cent of total produce, its stipulated conditions are difficult to meet.

Source: Live Mint