



**AGRICULTURE AND FOOD SECURITY:
G 33 PROPOSAL ON FOOD SECURITY**

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Regional consultation on 'Road to Bali: South Asian Priorities for the Ninth WTO Ministerial', 2-3 July 2013, Sri Lanka

WTO Ministerial Conference in Doha in 2001

“**Special and differential treatment** for developing countries shall be an integral part of all elements of the negotiations and shall be embodied in the schedules of concessions and commitments and as appropriate in the rules and disciplines to be negotiated, so as to be operationally effective and to enable developing countries to effectively take account of their development needs, including food security and rural development”

With a view to advance negotiations so as to achieve at least some outcomes in agriculture, which lies at the heart of the Doha Development Agenda, it is proposed to focus on one of the elements of the Doha Ministerial Declaration (DMD) which is of importance to developing countries, viz. **food security**.

Significant progress has already achieved in the Doha Round negotiations which recognize the serious concerns of food security in developing countries. This has assumed the character of a global concern in the past few years with a need for urgent action. Accordingly, it is proposed that some of the elements in the Revised Draft Modalities for Agriculture Text (TN/AG/W/4/Rev.4) relating to food security are taken up for a decision in accordance with paragraph 47 of the DMD.

Accordingly, without prejudice to the overall conclusion of the Doha Round negotiations based on the single undertaking and noting that there are other elements in the Revised Draft Modalities for Agriculture Text which can also partially address food security, it is proposed that a decision be taken to include the following elements of TN/AG/W/4/Rev.4 as part of the Ministerial Declaration at the Ninth Ministerial



DEFINITION

Food security exists when all people, at all times, have **Physical and Economic Access** to sufficient, safe, and nutritious food to meet their dietary needs and food preferences for an active and healthy life



Trend in Global Hunger Index

Region	1990	1996	2001	2012	Category
Bangladesh	37.9	36.1	27.8	24	alarming
Bhutan	
India	30.3	22.6	24.2	22.9	alarming
Maldives	
Nepal	26.9	24.4	23	20.3	alarming
Pakistan	25.5	21.8	21.7	19.7	serious
Sri Lanka	20.8	18.4	15.2	14.4	serious

GHI	Category
< 4.9	low
5.0-9.9	moderate
10.0-19.9	serious
20.0-29.9	alarming
>30.0	extremely alarming

Multi-dimensional Poverty Index

Region	MPI		Population in multi-dimensional poverty (headcount)		Population below poverty line	
	Year	Value	%	Thousand	PPP \$1.25 per day	National Poverty line
Bangladesh	2007	0.292	57.8	83207	43.3	31.5
Bhutan	2010	0.119	27.2	198	10.2	23.2
India	2005-06	0.283	53.7	612203	32.7	29.8
Maldives	2009	0.018	5.2	16	.	.
Nepal	2011	0.217	44.2	13242	24.8	25.2
Pakistan	2006-07	0.264	49.4	81236	21	22.3
Sri Lanka	2003	0.021	5.3	1027	7	8.9

Net Trade in Rice (000 US\$)			
Country	2004-06	2007-09	2010-12
Bangladesh	-142048	-317377	-323448
Bhutan	-6637	-14539	-12172
India	1423764	2531378	4165075
Maldives	-6840	-13066	-14299
Nepal	0	-7631	-31071
Pakistan	977185	1783334	2038719
Sri Lanka	-25616	-34797	-25427

Net Trade in Wheat (000 US\$)			
Country	2004-06	2007-09	2010-12
Bangladesh	-247625	-475954	-781767
Bhutan	-1346	-1260	-1578
India	106687	-521127	464487
Maldives	-3	-6	-7
Nepal	-57	4958	3
Pakistan	-160616	-615948	230575
Sri Lanka	-175504	-288008	-333077

Share of South Asian countries in Rice trade (%)

Rice Export							
Year	Bangladesh	Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
2004-06	0.41	0.00	15.41	0.00		1.44	14.35
2007-09	0.19	1.59	14.13		70.46	1.35	2.61
2010-12	0.37	0.00	1.91		2.83	3.60	2.50
Rice Import							
Year	Bangladesh	Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
2004-06	95.69	98.77	12.21	88.02		0.14	96.19
2007-09	95.44	99.97	1.93	89.36	81.86	0.34	86.54
2010-12	21.77	99.98	0.00	91.39	83.59	1.61	83.90

Share of South Asian countries in Wheat trade (%)

Wheat Export							
Year	Bangladesh	Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
2004-06	0.00	100.00	59.47			0.00	23.30
2007-09	0.00	100.00	40.87		96.27	17.63	0.02
2010-12	0.00		31.55		100.00	45.29	0.14
Wheat Import							
Year	Bangladesh	Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
2004-06	45.21	99.99	0.03	15.17	33.33	0.00	9.55
2007-09	1.68	100.00	0.78	4.16	83.17	0.00	0.16
2010-12	29.37	100.00	0.00	3.38		0.00	10.10

**TO AMEND ANNEX 2 OF THE AGREEMENT ON
AGRICULTURE AS FOLLOWS:**

To add new subparagraph (h) to the existing paragraph 2 of Annex 2 of Agreement on Agriculture:

(h) policies and services related to farmer settlement, land reform programmes, rural development and rural livelihood security in developing country Members, such as provision of infrastructural services, land rehabilitation, soil conservation and resource management, drought management and flood control, rural employment programmes, nutritional food security, issuance of property titles and settlement programmes, to promote rural development and poverty alleviation.

Drawn from Annex B of document TN/AG/W/4/Rev.4 dated 6 December 2008.

To modify the existing footnote 5 of Annex 2 of Agreement on Agriculture^[1] as follows:

For the purposes of paragraph 3 of this Annex, governmental stockholding programmes for food security purposes in developing countries whose operation is transparent and conducted in accordance with officially published objective criteria or guidelines shall be considered to be in conformity with the provisions of this paragraph, including programmes under which stocks of foodstuffs for food security purposes are acquired and released at administered prices, provided that the difference between the acquisition price and the external reference price is accounted for in the AMS. **However, acquisition of stocks of foodstuffs by developing country Members with the objective of supporting low-income or resource-poor producers shall not be required to be accounted for in the AMS.**



To modify the existing footnote 5 and 6 of Annex 2 of Agreement on Agriculture^[1] as follows:

For the purposes of paragraphs 3 and 4 of this Annex, **the acquisition of foodstuffs at subsidised prices when procured generally from low-income or resource-poor producers in developing countries with the objective of fighting hunger and rural poverty, as well as** the provision of foodstuffs at subsidised prices with the objective of meeting food requirements of urban and rural poor in developing countries on a regular basis at reasonable prices shall be considered to be in conformity with the provisions of this paragraph. **This is understood to mean, inter alia, that where such programmes referred to in this footnote and paragraph 4 above, including those in relation to lowering prices to more reasonable levels, involve also the arrangements referred to in footnote 5 to paragraph 3, there is no requirement for the difference between the acquisition price and the external reference price to be accounted for in the AMS.**



Chair reports on consultations on G-33 proposal

- The chair of the agriculture negotiations at the World Trade Organisation (WTO), at an informal open-ended meeting (**29 May 2013**) of the Special Session of the Committee on Agriculture , presented a detailed report on his recent series of consultations on the G-33 proposal on public stockholding for food security
- The Chair, Ambassador John Adank of New Zealand, said "it became increasingly clear that the proposal as it stands was not likely to obtain consensus in the time we have before Bali."
- G-33 Members have continued to stress that their policy space has been eroding due to the price increases and hence a solution is required to help these countries to ensure the availability of food for their populations in need. It is asserted by them that there is no viable alternative solution to the public stockholding and hence some modification to the existing rules on market price support calculation would be required.



Ambassador Adank had outlined at a Senior Officials' meeting on 30 April.

- Are Members willing to consider that the Bali Declaration/decisions include recognition that, subject to the fundamental requirement of the Green Box relating to no or minimal trade or production distortion, the Green Box needs to be flexible enough to encompass a wide range of general services policies in developing countries along the lines indicated in the **proposed paragraph (h)**?
- Taking into account what the Ministerial Conference has said in the past (including in the Implementation Decision of 2001), can we use Bali to send a convergent **political message** that recognises the role played by public stockholding and similar policies in some developing countries?
- Are Members prepared in the lead up to Bali to agree on any amendment or **interpretation of existing WTO AoA disciplines that might provide greater flexibility in this area of public stockholding than is currently the case?** If so, what is this amendment or interpretation? If not, are Members prepared to consider further work on these issues in the post-Bali period, and how would this work be framed?

Are Members willing to consider a mechanism or process whereby any Member with specific concerns that their public stockholding policies aimed at addressing **food security objectives were at risk of breaching their WTO commitments could bring those concerns to the attention of Members and seek additional flexibility on an interim basis, pending any broader agreement to modify the disciplines in general?**

- The Chair however said that while there were these general elements of convergence arising on Questions 1 and 2, the same cannot yet be said about Questions 3 and 4.
- Those that spoke in favour of the G-33's preference for a more general approach were: Indonesia (for the G-33), the Philippines, Honduras, the Dominican Republic, Cuba, China, Republic of Korea, India, Turkey and Bolivia.
- It stressed that the G-33 proposal is driven by the alarming fact that the 1986-1988 base period has eroded their ability to use food stockholding for food security. It said that high global prices require higher administered prices driving up de minimis space.
- Those that opposed an amendment or an interpretation of the AoA, either in principle or because this could not be achieved by the Bali ministerial conference in December, and instead favour a case-by-case solution were: Australia, the European Union, Chile, the United States and New Zealand.

