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**Committee on Agriculture
Special Session**

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PROMOTING AGRICULTURAL PRODUCTION AND TRADE IN NFIDCS AND LDCS

DRAFT MINISTERIAL DECISION OF THE 13TH MINISTERIAL CONFERENCE OF THE WORLD TRADE ORGANIZATION (WTO), GENEVA, SWITZERLAND*

The following communication, dated 15 January 2024, is being circulated at the request of the delegation of Nigeria on behalf of the African Group.

The *Ministerial Conference*,

- *Having regard to* paragraph 1 of Article IX of the Marrakesh Agreement Establishing the World Trade Organization;
- *Noting* the critical importance of the "The Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least-Developed and Net Food-Importing Developing Countries", (or the NFIDC Decision) for supporting the food needs of Least Developed Countries (LDCs) and Net Food-Importing Developing Countries (NFIDCS) as listed under [G/AG/5](#) during the process of agricultural reform as undertaken under the mandate of the Agreement on Agriculture (AoA);
- *Noting* simultaneously the limitations in the provisions under the NFIDC Decision and the lack of their implementation as per the report prepared by the WTO Secretariat, leading to significant gaps in efforts to meet the needs of LDCs and NFIDCs with respect to the impact of agricultural reform as undertaken under the mandate of the AoA as well as the recurring food crises witnessed in the recent period;
- *Acknowledging* the recent global crises due to the COVID-19 Pandemic and the geopolitical instability have caused an increase in the level of food insecurity for countries, including with the usage of unfair agricultural trade practice and the need to foster resilience against future shocks to global supply chains;
- *Acknowledging* the mandate of paragraphs 8 and 9 of the "Ministerial Declaration on Emergency Responses to Food Insecurity" ([WT/MIN\(22\)/W/17/Rev.1](#)), dated 16 June 2022 agreed during the 12th Ministerial Conference of the WTO;
- *Taking forward* the work undertaken by the work program set up under the Committee on Agriculture to deliver on the mandate of paragraphs 8 and 9 of the said Ministerial Decision;
- *Recognizing* the relevance of the Agriculture negotiations to Food Security.

* This document was originally circulated as [WT/GC/W/918](#), dated 12 December 2023.

Decides that,

1. With the objective of enhancing agriculture production and productivity in LDCs and NFIDCs:

- a. (i) An LDC or an NFIDC Member may give Aggregate Measurement of Support (AMS) covered under Article 6.4 of the Agreement on Agriculture **in excess** of the relevant *de minimis* limits by X% in case of basic foodstuffs which have witnessed net imports with imports accounting for greater than 45% of domestic net food availability, in each year of the immediately preceding five calendar year period for which data is available.
- (ii) The current *de minimis* limit shall be immediately re-applicable when the basic foodstuff in question has witnessed a level of self-sufficiency where domestic production is contributing 75% and above of domestic net availability in each year of a consecutive five calendar year period for which data is available.
- (iii) Members using the provision under paragraph 1.a.(i) shall file their annual domestic support (DS:1) notifications for the relevant years when the *de minimis* limit is exceeded. In addition, such Members shall also file a notification on meeting the conditions specified under paragraph 1.a.(i) above within the first calendar year of exceeding the *de minimis* limit.
- b. (i) An LDC or an NFIDC Member may give Aggregate Measurement of Support (AMS) covered under Article 6.4 of the Agreement on Agriculture **in excess** of the relevant *de minimis* limits in case of basic foodstuffs imported by an LDC or an NFIDC Member with immediate effect under a situation of food crisis when, for a month, the average monthly import price for that product exceeds the trigger price. The trigger price shall be 130% of the Olympic average of the import price for the corresponding month of the immediately preceding five calendar year period (referred herewith as the "base period") for which data is available.
- (ii) The current *de minimis* limit shall be re-applicable when the average monthly import price for that product falls below the trigger price of the "base period"¹ for a consecutive six-month period.
- (iii) Members using the provision under paragraph 1.b.(i) shall file their annual domestic support (DS:1) notifications for the relevant years when the *de minimis* limit is exceeded. In addition, such Members shall also file a notification on meeting the price conditions² specified under paragraph 1.b.(i) above within the first calendar year of exceeding the *de minimis* limit.
- c. There will be negotiations with the objective to reach an outcome by MC14 on other flexibilities identified through the work conducted in the Special Committee set up under the mandate of paragraphs 8 and 9 of the "Ministerial Declaration on Emergency Responses to Food Insecurity" ([WT/MIN\(22\)/W/17/Rev.1](#)).

2. With the objective of enhancing accessibility to food markets of NFIDCs and LDCs:

- a. (i) A Member imposing export prohibitions and restrictions on foodstuffs may voluntarily explore practical, WTO-consistent means to lessen the effect of such measures on importing countries, particularly LDCs and NFIDCs, in response to specific requests from Members having a substantial interest as an importer.

¹ For greater certainty, the "base period" will be the immediately preceding five calendar year period which is used to calculate the trigger price.

² Either the National price indicator or the FAO Food Price Indices or price indicators in any two major global export markets for the relevant product may be used by the NFIDC/LDC Member for this purpose. The choice of index/indicator by the NFIDC/LDC Member concerned shall not be disputed by other Members.

- (ii) This Decision shall not be construed to prevent the adoption by any Member of measures to ensure its domestic food security in accordance with the relevant provisions of the WTO agreements.
- b. Members reaffirm to provide international food aid in particular to LDCs and NFIDCs upon their request in accordance with paragraphs 22 to 32 of the Nairobi Decision on Export Competition ([WT/MIN\(15\)/45](#) - [WT/L/980](#)) of 2015.
- c. (i) The Nairobi Decision on Export Competition ([WT/MIN\(15\)/45](#) - [WT/L/980](#)) provisions on export credits, export credit guarantees or insurance programmes shall be implemented to the fullest, while integrating the special and differential treatment for LDCs and NFIDCs as per paragraph 17 of the Decision providing a repayment term between 36 and 54 months on export financing support for the acquisition of basic foodstuffs by LDCs and NFIDCs. In case of exceptional circumstances faced by such Members which still preclude financing normal levels of commercial imports of basic foodstuffs and/or in accessing loans granted by multilateral and/or regional financial institutions within these timeframes, it shall have an extension of such a timeframe between 54 and 72 months.
- (ii) Members agree to restart negotiations on disciplines on export credit guarantees with special regard to products of domestic interest to LDCs and NFIDCs.
- d. Notwithstanding its cause, exports of basic foodstuffs to NFIDCs and LDCs during any period of a food crisis shall not be blocked by a WTO Member either through physical measures such as blocking of shipping routes or through financial measures.
- e. NFIDCs and LDCs shall continue to benefit from the provisions of Article 9.4 of the Agreement on Agriculture until the end of 2050.

3. With the objective of enhancing access to finance for imports and enhancement of production in NFIDCs and LDCs:

- a. There will be an international compensatory financing mechanism to finance normal levels of commercial imports of basic foodstuffs by LDCs and NFIDCs and to make short-, medium- and long-term credit available for enhancing production and productivity in LDCs and NFIDCs.
- b. The Mechanism will be set up in collaboration between the WTO, the Food and Agriculture Organization (FAO) under the United Nations, the International Monetary Fund (IMF), and the World Bank (WB), International and regional development banks. Developed countries must commit to make donations to this Mechanism in continuance of the mandate under the Marrakesh Decision of 1994.
- c. The Mechanism will make credit available on a continuous basis to finance normal levels of commercial imports of basic foodstuffs as well as fund finance requirements to enhance food production and productivity in NFIDCs and LDCs upon their request for products where the said LDC or NFIDC is a net importer with imports accounting for greater than 45% of domestic net food availability in each year of the immediately preceding five calendar year period for which data is available.
- d. The Mechanism will make credit available on an immediate basis to finance normal levels of commercial food imports of basic foodstuffs without any conditionality, in the situation of a food crisis either at global level or at national level, for specific NFIDC or LDC Members upon their request for products where the country is a net importer with imports accounting for greater than 45% of domestic net food availability in each year of the immediately preceding five calendar year period for which data is available.
- e. The Mechanism must be chaired by an NFIDC or LDC Member and at least 2/3rd of its Membership shall be from NFIDCs or LDCs.

- f. Institution specific international mechanisms to set up import financing facilities under the FAO, IMF, the World Bank and other bodies should collaborate with the Mechanism as set up under 3.a.

4. With the objective of enhancing transparency of Food Aid programmes and Export credit, guarantee and insurance initiatives:

- a. Recalling the provisions of the Nairobi Ministerial Declaration on Export Competition, which highlight the significance of special and differential treatment, and recognizing the lack of adequate information on food aid and export credit, guarantee, and insurance initiatives, the pivotal role of comprehensive data and detailed information in shaping food security policy objectives is affirmed.
- b. In light of this, the Committee on Agriculture will address this insufficiency by focusing specifically on enhancing the notification requirements and formats pertaining to food aid and export credit, guarantee, and insurance initiatives. This targeted approach, will foster a deeper understanding and comprehensive evaluation of these specific areas, thereby contributing to the advancement of global food security objectives.

5. With the objective of enhancing the productive capacity of NFIDCs and LDCs:

The WTO shall in collaboration with relevant international and regional organizations explore funding mechanism to improve the agricultural productive capacities, infrastructure and access to agricultural inputs of NFIDCs. Agricultural supply response capacity and productivity in NFIDCs must be increased and special attention has to be given to small-scale and women farmers who often produce less than they consume.
