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**General Council  
Committee on Agriculture, Special Session  
Committee on Trade and Environment**

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## SHAPING MC13 OUTCOMES

### COMMUNICATION FROM THE RUSSIAN FEDERATION

The following communication, dated 7 December 2023, is being circulated at the request of the delegation of the Russian Federation.

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The Russian Federation hereby submits its proposals for the inclusion in the outcome documents of the 13<sup>th</sup> WTO Ministerial Conference (MC13).

#### 1 AGRICULTURE

1. The Russian Federation, being a major producer, exporter and importer of agricultural products, supports the continuation of negotiations in accordance with Article 20 of the WTO Agreement on Agriculture in order to reform the WTO rules on agricultural trade.
2. Russia is convinced that Members are capable of finding and agreeing upon mutually acceptable comprehensive solutions on all three major pillars of Agriculture negotiations, as well as on other agricultural trade issues of mutual concern, such as enhancing transparency and predictability.
3. Given the global interconnectedness of agricultural production processes, the crucial role of global value chains in the agricultural sector, respective interdependence of countries in terms of agricultural products supplies, as well as goods and services necessary for their production, Members should jointly explore the ways to support and facilitate agricultural trade for the benefit of the Membership, especially least developed and developing Members, and ultimately of the entire world community.
4. In this regard, the Russian Federation suggests that the outcome documents should reflect the following:

#### Trade Facilitation in Agriculture

We recognize that the agricultural sector is sensitive to external shocks and inner deficiencies, and agricultural products, unlike many industrial goods, are short-lived.

It is essential to minimize barriers to trade, including those in supply and settlement chains, in order to avoid unnecessary food losses and ensure effective and timely supplies and access to agricultural products around the globe, goods and services required for their production, transportation and storage, tackle uneven food distribution, provide transparent, efficient and predictable environment for traders and consumers in the agricultural sector.

The above-mentioned goals can be effectively achieved through a multilateral initiative on facilitation of trade in agricultural products. Multilateral efforts to facilitate agricultural trade flows should address internal and border measures that impede such flows, ensure more convenient and stable environment for agricultural trade. Such efforts may include, *inter alia*, fostering efficient SPS/TBT measures implementation, improving predictability of applied

tariffs, facilitating access to agriculture-related technologies, equipment and supporting services, integrating digital solutions, enhancing the regulation of the conduct of MNE that possess considerable market power, raising efficiency of utilizing TRQ allocations, creating incentives for transport and logistic operators to ensure unconstrained export, transit and import of goods within the agricultural sector.

We agree to launch our work on trade facilitation in agriculture at the WTO. To this end, we consider it necessary to establish a special negotiating group on Trade Facilitation in Agriculture that reports to the Trade Negotiations Committee. The first progress report of the Negotiating group shall be due by the 14<sup>th</sup> WTO Ministerial Conference (MC14).

### **New Agricultural Framework**

We commit to elaborate a new Agricultural Framework comprising broad parameters to guide the negotiations on agricultural trade issues forward. The framework shall take into account the current realities and contemporary trends, such as digital transformation and the growing role of services in agricultural production. Having these new parameters in mind, the primary goal of ensuring stable access to food and foodstuffs through unimpeded trade flows shall not be set aside.

### **Food Security**

We recognize that the strategic goal of food security is to provide Members' population with safe agricultural products and food. The guarantees of achieving this goal include stability of domestic production, availability of necessary stocks and reserves, as well as open and predictable markets.

We agree to undertake a holistic and science-based approach to studying and addressing all elements of ensuring food security, including its global and national components. These may include, among other things: access to goods and services needed for ensuring stable domestic agricultural production; fertilizer and energy prices; unimpeded trade flows; 'withdrawal' of land from the agricultural sector towards biofuel production; decreased yields resulting from climate-related measures, such as reductions in the use of fertilizers. We recognize the vital importance of the United Nations Sustainable Development Goal 2 (UN SDG 2) and the need to end hunger, which requires lowering food prices rather than inflating them, increasing yields rather than constraining agricultural production, as well as ensuring stable food supplies unconstrained by a variety of trade restrictions.

## **2 EMERGENCY RESPONSE TO FOOD INSECURITY**

5. At MC12 Ministers adopted the Ministerial Declaration on the Emergency Response to Food Insecurity of 17 June 2022. Ministers, *inter alia*, agreed that trade, along with domestic production, plays a vital role in improving global food security in all its dimensions, as well as enhancing nutrition. Ministers committed to take concrete steps to facilitate trade and improve the functioning and long-term resilience of global markets for food and agriculture, including cereals, fertilizers, and other agricultural production inputs.

6. Further discussions and deliberations undertaken in Geneva since MC12 have reflected that the issue of food security is complex and multidimensional, and that it is of a systemic, rather than a 'situational' nature. At MC12, with the aim of fulfilling the UN SDG 2, Ministers have committed, among other things, to make progress towards ending hunger. This is a longstanding and a long-term objective, which can be achieved with the help of various means of the agricultural trading system. We therefore believe that the issue of food security requires not just an emergency, but a fully-fledged systemic multilateral response. It has to be addressed in a targeted manner, using a comprehensive, balanced and science-based approach where appropriate.

7. In this regard, the Russian Federation suggests that the outcome documents of MC13 should reflect the following:

We underscore that the issue of food security requires a systemic response. To this end, we resolve to undertake a holistic and science-based approach to studying and addressing all elements of ensuring food security, including its global and national components.

We agree that the issue of food security requires Members' attention in accordance with approaches adopted under item ["Food Security"] in point [4].

### **3 ENVIRONMENT AND CLIMATE CHANGE**

8. The Russian Federation welcomes the growing global climate change awareness and supports Members' joint efforts aimed at promoting environmental protection and combating climate change. The Russian Federation strongly believes that measures aimed at protecting the environment and combating climate change should be cost-effective. In our view, it is necessary to ensure the balance between achievement of environmental, including climate, and other socio-economic development goals, in accordance with the principle of indivisibility of the United Nations 2030 Agenda for Sustainable Development.

9. However, nowadays the multilateral trading system faces a new risk of the policies aimed at increasing the competitiveness of a domestic industry under the umbrella, or even the guise, of environmental and climate goals – the "green" protectionism. The rise in trade-restrictive measures including burdensome fiscal measures implemented together with excessive amounts of state subsidies, introduction of technical standards and other requirements, which are not based on sufficient science, lead to artificial substitution of established industries by new so-called "green" ones. Such substitution does not occur due to the competitive advantage of "green" industries over the traditional ones, but rather due to above-mentioned state imposed policies.

10. The growth of trade protectionism under the pretext of environmental protection and combating climate change creates the risk of the multilateral trading system fragmentation, as well as disruption of both supply chains and global markets. As a result, many Members, especially developing and least developed ones, will be partially deprived of their incomes, which could have been spent on the modernization of production processes and other environmental and climate measures.

11. The proliferation and uncontrolled growth of various forms of "green" subsidies could eventually lead to overfinancing and a consequential "subsidy race", ultimately widening the gap between developed and developing countries, especially the least developed ones. If this trend remains, Members may find themselves in a situation where competition opportunities in certain sectors would be limited to the volume of subsidies provided to a domestic producer. Restricted technology transfer between the countries would further exacerbate this widening gap between Members. This, in turn, will significantly slow down or completely block the achievement of global environmental and climate goals, leading to the world's fragmentation into an exclusive club of technologically developed countries and the rest of the world.

12. The Russian Federation points out that the multilateral environmental and climate agreements, including the UNFCCC and the Paris Agreement, provide for, among other things, the inadmissibility of establishing measures which constitute means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade, cooperation in development and technology transfer.

13. In this regard, the Russian Federation suggests that the outcome documents should reflect the following:

#### **Environment and climate change**

We agree that there is a need to promote and strengthen the multilateral response to address global environmental challenges, such as climate change, in a manner consistent with the WTO rules and the existing multilateral environmental and climate agreements, including the UNFCCC and the Paris Agreement.

We reaffirm our commitment laid down in the Preamble to the WTO Agreement. We also recognize the role the WTO can play in contributing to the achievement of the UN 2030 Agenda for Sustainable Development and Sustainable Development Goals in their economic, social, environmental and climate dimensions, in so far as they relate to the WTO mandate and in a manner consistent with the respective needs and concerns of Members at different levels of economic development.

We recognize that unilateral trade restrictive measures adopted with the aim of addressing global environmental and climate goals, including the large-scale "green" subsidies, create a risk of the multilateral trading system fragmentation, promotion of protectionism, market distortions and further widening the gap between developed and developing countries, especially the least developed ones.

While implementing our environmental policies we commit to abstain from introducing protectionist and trade-distortive measures, as well as market distortive subsidies, which are not consistent with the WTO Agreement and international environmental and climate agreements. We acknowledge that a stable and predictable trading environment, as well as unrestricted access to modern technologies can play a major role in achieving environmental and climate goals.

In this regard, we agree to intensify the negotiations in the Committee on Trade and Environment (CTE) aimed at enhancing the multilateral response to environmental and climate change within the framework of the CTE's mandate, established in paragraph 31 of the Doha Ministerial Declaration.

#### **4 RESPONSE TO THE COVID-19 PANDEMIC AND PREPAREDNESS FOR THE FUTURE PANDEMICS**

14. At the 12<sup>th</sup> WTO Ministerial Conference (MC12) Ministers adopted the Ministerial Declaration on the WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics of 17 June 2022. Ministers, *inter alia*, affirmed the need to review and build on all the lessons learned and the challenges experienced during the COVID-19 pandemic, to build effective solutions in case of future pandemics, and agreed to undertake yearly reviews of the progress in implementing the Declaration until the end of 2024.

15. Nevertheless, no respective progress has been achieved so far that could clearly indicate an advancement in the implementation of this Ministerial Decision. In particular, there is a strong need to identify the interplay between the WTO rules and mandate and those of other international organizations, whose activities influence international trade. Clear and rapid responses in line with the already existing multilateral rules are particularly important in times of pandemics and other global emergencies.

16. In this regard, the Russian Federation suggests that the outcome documents of MC13 should reflect the following:

We underscore the importance of ensuring the coherency of international trade arrangements developed in various international trade-related organizations and in the WTO. With that in mind, we, as participants of such international organizations, will take appropriate steps to ensure that such arrangements are consistent with the WTO rules. We intend to discuss short track procedures aimed at facilitating market access for supplies needed to deal with pandemics and other emergencies.

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