

VIRTUAL WTO AGRICULTURE SYMPOSIUM 2020 - AGRICULTURAL TRADE AND
FOOD SYSTEM TRANSFORMATION

*Big Take-Aways – Session Six - AGRICULTURAL TRADE IN 2050,
TOWARDS FORWARD-LOOKING DISCIPLINES*

- In this session it was argued that trade barriers were a contributing factor to food price volatility and had been identified as such back in 2011, in a report that had examined volatility in the G20 context. Since 2011, some progress on the elimination of trade barriers had taken place but remained uneven. For instance, the WTO succeeded in completely eliminating export subsidies at the Nairobi Ministerial Conference. Some progress on the market access front has also been achieved, but has taken place mostly on a unilateral, bilateral and regional basis and not in the multilateral context. The G20's AMIS had been extremely beneficial as well in enhancing market transparency. However, much work remained to be done.
 - The panel issued a call for governments to revisit the most trade-distorting forms of agricultural support. In the wake of COVID-19 pandemic, several panellists expected that the new forms of support would be extended to the agricultural sector. It would be important for this new support to not undo past achievements of AOA, and it was argued that it would need to be carefully monitored. With respect to Green Box subsidies, some panellists argued that trade-distortion not be the only criterion used to assess the validity of these subsidies, and that other parameters also be applied.
 - UNCTAD warned of the continued fall in the price of agricultural commodities such as cocoa and coffee, pointing to "negative terms of trade". The decline was seriously impacting countries heavily dependent on commodity exports. Governments and farmers were earning less from key commodities, leading to lower spending and less investment in agriculture. Commodity prices would continue to be impacted in future by oil prices, population growth, economic growth and climate change.
 - The panel discussed the importance of agricultural Global Value Chains (GVCs), calling for them to be kept open. Today, more than half of the world's agricultural production crosses international borders at least twice. It was therefore critical for global food security that these value chains be nurtured and allowed to grow. The African Continental Free Trade Area (AfCFTA) was described as an opportunity for African countries to better integrate into the multilateral trading system and to access, and form part of, these GVCs.
 - Finally, with an eye to the future, the panel discussed the importance of digitalizing agriculture. It was pointed out that the difference between profits and losses in the agricultural sector today was often defined by access to timely market information, digital crop insurance tools, and the use of precision agriculture. However, the digitalization of agriculture has raised concerns with respect to the ownership of data, data protection and the movement of data. While these are not issues that are specifically addressed in the WTO's AOA, they are covered by other WTO agreements.
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