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General Council Committee on Agriculture

## RESPONDING TO THE COVID-19 PANDEMIC WITH OPEN AND PREDICTABLE TRADE IN AGRICULTURAL AND FOOD PRODUCTS

STATEMENT FROM: AUSTRALIA; BRAZIL; CANADA; CHILE; COLOMBIA; COSTA RICA; ECUADOR; EUROPEAN UNION; GEORGIA; HONG KONG, CHINA; JAPAN; REPUBLIC OF KOREA; MALAWI; MALAYSIA; MEXICO; NEW ZEALAND; NICARAGUA; PARAGUAY; PERU; QATAR; KINGDOM OF SAUDI ARABIA; SINGAPORE; SWITZERLAND; THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU; UKRAINE; UNITED ARAB EMIRATES; UNITED KINGDOM; UNITED STATES; AND URUGUAY

## Revision

The following joint statement, dated 28 May 2020, is being circulated at the request of the delegation of Canada.

- 1.1. The COVID-19 pandemic is a global issue that requires a coordinated global response. We recognize that first and foremost the world is facing a global health crisis and the immediate focus of Members should be on efforts to ensure the health and safety of their citizens while laying the groundwork for a strong economic recovery. As many global leaders have indicated international cooperation across different fields is crucial to weathering the COVID-19 pandemic. As Members take measures to address the pandemic, it is imperative that these measures do not adversely affect trade in agriculture and agri-food products which would ultimately have negative impacts on the food security, nutrition and health of Members and their populations. We support the call to mitigate the impact of COVID-19 on agriculture trade and food security made on 31 March by the Director Generals of the WTO, FAO, and WHO.
- 1.2. Collectively, we account for 67% of global exports of agriculture and agri-food products and 60% of global imports of agriculture and agri-food products. We underscore the importance of maintaining agriculture supply chains and preserving the ability of Members to import agriculture and agri-food products to meet their domestic needs. Maintaining effective transport and logistical services will be crucial to the proper functioning of the food supply chain. We encourage Members to implement temporary working solutions to facilitate trade, such as allowing scanned copies or electronic copies of original certificates whenever it is not possible to present the original paper certificate, provided the authenticity of these certificates can be validated by competent authorities.
- 1.3. The application of export restrictions and similar trade restrictive measures on agriculture and agri-food products create an unpredictable trading environment that would adversely affect food availability and result in price spikes, increased price volatility, and leads to shortages of important food products. The adoption by many Members of successive export restrictive measures to secure their own food security would lead to a widespread food insecurity crisis due to the disruption in global agricultural trade supply chains. It is also important to avoid food loss and waste caused by supply chain disruptions, which could exacerbate food security risks and economic loss. In addition, supply chains for key agriculture inputs must remain open to help ensure existing production levels are maintained.

- 1.4. Global commodity markets are in a strong position to respond to the crisis. The Agriculture Market Information System (AMIS)¹ Market Monitoring report from April 2020 found that global food markets remain well balanced and noted that cereal stocks are expected to reach their third highest level on record this season and export availabilities for wheat, maize, rice, and soybeans are more than adequate to meet the anticipated demand. Regardless, we are seeing countries reassess their own food security in response to COVID-19 with some countries imposing export restrictions. Lessons from previous crises have taught us that export restrictions increase food insecurity for vulnerable populations. The world's poor, including agricultural workers, would bear the brunt of increased export restrictions. We recall the G20 Leaders agreement to not impose food export restrictions or extraordinary taxes on food purchased for non-commercial humanitarian purposes by the World Food Programme (WFP), and encourage all WTO Members to do the same.
- 1.5. The timely and accurate provision of information on agriculture and agri-food-related trade measures, levels of production, consumption and stocks, as well as prices, reduces uncertainty and allows governments, traders, consumers, producers to make informed decisions.
- 1.6. To help ensure well-functioning global agriculture and agri-food supply chains in response to this crisis we therefore are committed:
  - a. To ensure that supply chains remain open and connected so that international markets can continue to function in supporting the movement of agricultural products and agriculture inputs, which plays an instrumental role in avoiding food shortages and ensuring global food security.
  - b. To exercise restraint in establishing domestic food stocks of agricultural products that are traditionally exported so as to avoid disruptions or distortions in international trade.
  - c. Not to impose agriculture export restrictions and refrain from implementing unjustified trade barriers on agriculture and agri-food products and key agricultural production inputs.
  - d. That emergency measures related to agriculture and agri-food products designed to tackle COVID-19 must be targeted, proportionate, transparent, and temporary, and not create unnecessary barriers to trade or disruption to global supply chains for agriculture and agrifood products. Any such measures are to be consistent with WTO rules.
  - e. To inform the WTO as soon as practicable of any trade related COVID-19 measures affecting agriculture and agri-food products, including providing scientific evidence in accordance with WTO agreements if necessary, to ensure transparency and predictability. Members should be given opportunities to review new measures.
  - f. To ensure that updated and accurate information on levels of food production, consumption and stocks, as well as on food prices is widely available, including through existing international mechanisms.
  - g. To support the efforts of the WTO and other international organizations in analysing the impacts of COVID-19 on global agriculture and agri-food trade and production.
  - h. To engage in a dialogue to improve our preparedness and responsiveness to regional or international pandemics, including multilateral coordination to limit unjustified agriculture export restrictions, in particular at the WTO.

<sup>&</sup>lt;sup>1</sup> The Market Monitor is a product of the Agricultural Market Information System (AMIS). It covers international markets for wheat, maize, rice and soybeans, giving a synopsis of major market developments and the policy and other market drivers behind them. The analysis is a collective assessment of the market situation and outlook by the ten international organizations and entities that form the AMIS Secretariat. <a href="http://www.amis-outlook.org/fileadmin/user-upload/amis/docs/Market-monitor/AMIS">http://www.amis-outlook.org/fileadmin/user-upload/amis/docs/Market-monitor/AMIS</a> Market Monitor current.pdf.