

**Commerce Minister Statement**  
**Committee On Agriculture Special Session meeting**  
**MC 10 - 16th December 2015**

Ministers and Excellency's,

Minister Joshua Setipa, we welcome your appointment, as facilitator on agriculture. We urge you to use your offices to help us focus on issues in line with reform agenda, and to support sustainable agriculture for millions of poor farmers.

Colleagues,

We are yet to succeeded in achieving any deliverable for Agriculture for MC-10 despite an intense and engaged process in Geneva. Rather than having any retrogressive outcome, it is advisable to agree to work post-Nairobi on an agenda which is sustainable and reform oriented.

We must persist for an agriculture package which delivers genuine agriculture trade liberalization, treats market access as a priority and provides market driven and evidence based solutions to challenges. We have to be extremely careful with the carve outs, the final destination for all must be well functioning market oriented approaches. Carve outs for the biggest exporters would be detrimental for the food security of millions of small farmers in the poor countries with no fiscal space to subsidize agriculture.

Pakistan shares the disappointment that we have not been able to achieve convergence despite the low level of ambition on export subsidies. It is not advisable to create any linkage between one element of market access pillar with the full pillar of export competition.

In our view Public Stock Holding is not ripe for a permanent solution in MC-10. Ministers in Bali agreed to find a solution by MC-11, the general council decision again reiterated MC-11, and urged explicitly for the best endeavor and constructive

engagement ---which has been more than optimum. There is no obligation to find permanent solution by MC-10. Seeking a Permanent Mechanism for Food Security at Nairobi, is a negation of the Bali Ministerial Decision itself.

We understand the need to feed the hungry and the vulnerable, but not at cost of livelihood of millions of poor farmers surviving on subsistence agriculture. The Public Stock holding proposal in its current form will be a hard sell to our constituents; it has serious adverse unintended consequences impacting our economy.

Chair,

Addressing food security is a complex subject and requires much more than stockholding. The proposed permanent solution has elements that undermine our farmers' livelihoods—hence it is not part of a solution; it is part of the problem. Consensus amongst our stakeholders is that market price support programs of one country have a negative effect on the food security of other countries. It works as a production incentive, not only inducing unsustainable production, but eliminating small exporters in third country markets. It is evident that country's global trade share plays a critical role here.

Excellency's,

I am elected from the principal rice growing area of Pakistan, most of my constituents are small rice growers----93% of farmers in Pakistan own less than 5 acres. They are going through an economic crises third year in a row. For the first time in our history we have agrarian unrest in Pakistan, poor farmers have been besieging our parliament, blaming Bali for their threatened livelihood. These poor farmers do not receive any market price support. We have been through the pain of reforms but we know that it ultimately pays.

Our rice exporters are mostly small and medium enterprises, again displaced from export markets due to trade distorting programmes proposed to be sanctified by WTO. These rapidly growing domestic support programs cause direct, serious and now visible impacts on the prices that our farmers receive for their grain.

These poor farmers are getting economic injury due to uncapped, unlimited domestic support that bleeds into export markets. It is irrelevant for them whether this is being provided by developed countries or developing countries-both hurt them equally.

Excellency's,

In Pakistan we are fighting a war against extremism and terrorism. Trade distorting policies, are disrupting our agriculture economy, which is 21% of our GDP and as President Kenyatta said "We must remember that globally, the consequences of lack of adequate economic opportunities are a leading driver of the social and political instability, which helps drive extremism and violence". We are prepared to work on the issue in a comprehensive manner till MC -11.

We need a robust Post-Nairobi dialogue keeping in view all perspectives of food security on the table. We need to analyze the issue with an evidence-based approach on basis of data.

I would encourage all Geneva based delegates to remain engaged on the bases of the progress achieved so far. WTO is the only institution which provides us the opportunity to work on agriculture subsidies, production as well as trade distortion. We cannot afford any failure to address these distortions, if we fail here in addressing agriculture reform or decide to go backwards, we will not be serving the poor or the hungry. We will end up undermining the basic principles of development and sustainability that we want to up hold.

I would like to quote from President Kenyatta's speech of yesterday:

**"I urge all of you to accelerate toward a positive end to our long journey of establishing a fair and market oriented trade in agriculture."**

Chair, we cannot agree to putting a stamp of WTO's approval on trade distorting and unsustainable policies. We cannot support a proposal which sanctions violation of all disciplines of WTO.

The proposal on the table is Uruguay-Minus, against the spirit and direction of reform. We are not prepared to support any retrogressive decision.

\*\*\*\*\*