WTO conference may suggest withdrawal of all restrictions on food exports

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The four-day ministerial conference of the World Trade Organisation (WTO), scheduled to be held in Geneva next month, is likely to recommend withdrawal of all sorts of restrictions on food exports, officials said on Thursday.

Trade ministers from some 153 WTO-member countries are expected to attend the conference to be held from Dec. 15 to 18 and discuss exchange-rate stability and related issues.

Bangladesh Commerce Minister Mohammad Faruk Khan is likely to lead a strong delegation of experts, traders and officials to the WTO trade ministers' conference, the officials of the ministry of commerce (MoC) said.

The conference will also try to curb anti-protectionism measures, amid an expected sluggish global economy next year and concerns over the future of the Doha Development Round, and to keep the momentum on for reducing international trade barriers in the context of the latest trends about the pattern of global trading system, they said.

The participants will try to reach a consensus to remove extraordinary taxes for food purchased for non-commercial humanitarian purposes.

Meanwhile, an independent expert of the United Nations (UN) on Wednesday urged the WTO to take bold policies to ensure food security at the global trade talks.

"The world is in the midst of a food crisis which requires a rapid policy response. But the WTO agenda has failed to adapt, and developing countries are rightly concerned that their hands will be tied by trade rules," said the UN Special Rapporteur on the right to food, Olivier De Schutter, in a statement, issued from the UN headquarters in New York.

"Food security is the elephant in the room which the WTO must address," the statement said.

Such a consensus will help the UN food agency, the World Food Programme (WFP), to collect food for assisting poor who cannot afford to buy food at the market price, officials said.

In Bangladesh some 30 per cent of the population cannot afford to buy foods though the country produces more than 34 million tonnes of grains, mostly rice annually, sufficient to feed its nearly 160 million people, officials of the WFP, Dhaka chapter said.

Meanwhile, group of net food-importing developing countries (NFIDCs), including Bangladesh, have also submitted a proposal to the WTO for adopting a mechanism to mitigate the impact of food price volatility on the least developed countries (LDCs) and NFIDCs.

"We should grasp the opportunity to ask what kind of trade rules will allow us to combat food insecurity and realize the human right to food," said Mr. De Schutter, the UN expert in his statement.

"Even if certain policies are not disallowed, they are certainly discouraged by the complexity of the rules and the threat of legal action," he stated.

"Current efforts to build humanitarian food reserves in Africa must tip-toe around the WTO rulebook. This is the world turned upside down," Mr. De Schutter continued.

"WTO rules should revolve around the human right to adequate food, not the other way around," said the expert, who reports to the UN Human Rights Council in an independent and unpaid capacity.

"We need an environment that encourages bold policies to improve food security," Mr. De Schutter stressed in the statement.

He noted that "trade did not feed the hungry when food was cheap and abundant, and is even less able to do so now that prices are sky-high." Global food imports will amount to $1.3 trillion in 2011, and the food import bills of the least developed countries (LDCs) have soared by over a third over the last year, he added.

Bangladesh regularly imports some 3.0 million tonnes of wheat annually, but rice is also added to the import list when crops are damaged by floods and cyclones, or market becomes volatile, officials of the food department said.

Despite an increase in food production, Bangladesh imported some 5.3 million tonnes of foodgrains through its department of food and also scores of private importers in fiscal year (FY) 2010-11 up to June, against 3.0 million tonnes in the previous fiscal, they said.

Some measures that have been cited as helpful in rehabilitating local food production capacity in developing countries are higher tariffs, temporary import restrictions, state purchase from small-holders, and targeted farm subsidies, officials said.

To maintain food production and give incentives to farmers, Bangladesh regularly procures thousands of tonnes of rice from farmers and provides billions of takas in farm subsidies, officials of the ministry of agriculture said.

But the UN expert Mr. De Schutter said in the statement that WTO rules left little space for developing countries to put such measures in place.

WTO officials said an agenda on global food security had been taken for the conference as agricultural export restrictions were widely criticised for exacerbating price hikes and food shortages, penalising the poorest consumers in developing countries.

Meanwhile, WFP feared food shortage in the coming months following the recent devastating floods in the southeast Asian including Thailand, a major rice producer and exporter.