



enda

environnement et développement du tiers monde
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INTERNATIONAL CENTRE FOR
TRADE AND SUSTAINABLE
DEVELOPMENT



Cotton Day

WTO Sectorial Initiative on Cotton

What to expect from the Hong Kong Ministerial Conference?

Monday 12 December 2005

Hong Kong, China

Hong Kong Jockey Club

*Visitors Box, 8/F Happy Valley Stand, The Hong Kong Jockey Club, Happy Valley,
Hong Kong*

Day of reflection organized by ICTSD, in collaboration with Enda Tiers Monde, the African Cotton Association (ACA), the African Cotton Producers Association (APROCA), OXFAM International and the Permanent Mission of Benin in Geneva.

Context and Evolution of the WTO Sectorial Initiative on Cotton

- 1.** Faced with the increased difficulties caused by the subsidies, to which african cotton producers are confronted, on 30 april 2003, Benin submitted a negotiating proposal to the President of the Committee on Agriculture, in the name of four signatory countries (Benin, Burkina Faso, Chad, Mali), taking care to preserve the interest of the others Western and Central African countries which might be interested in joining the proposal.
- 2.** During the period leading to the Cancun Ministerial Conference, a series of support events for the Sectorial Initiative was held by government as well as by non-

governmental actors. Among others, a platform of northern and southern NGOs organized some international workshops related to the technical and strategic aspects of the dossier.

3. Unfortunately, the Cancun Ministerial Conference did not yield the expected results. Not only was the attention given to cotton issue in the Ministerial Declaration minimalist, but also the choice in starting the negotiations with the controversial point in Singapore issues did not allow for a substantial discussion on the Sectorial Initiative.

4. Right after the failure of Cancun, there were some slight developments to repudiate the specific character of african cotton, and therefore to treat it within the framework of the general agriculture negotiations. This idea was tested during the WTO General Council in December 2003 and later validated further.

5. The conference organised by the WTO, in Cotonou in March 2004, affected the original integrity of the Sectorial Initiative. The idea launched by WTO to separate trade from development issues was generally accepted. From then on, the WTO recognized its competence only within the framework of the cotton subsidies case.

6. The July 2004 Package which facilitated a breakthrough in WTO negotiations required that cotton be treated in a rapid, specific, and ambitious way, and planned the creation of the Sub-Committee on Cotton. Meanwhile, it also officially adopted the separation of trade from development issues and inserted cotton as part of the agriculture negotiations.

7. Parallely, Brasil won the case in which it opposed the United States subsidies on cotton. The Panel's decision regarding the illegality of the major part of the subsidies, was confirmed by the Appellate Body. The African third parties – Benin and Chad – would have expected to profit directly had the United States decided to implement those rulings in good faith, without contesting it further. However, the dispute on the implementation of the Appellate Body's decision deprived them of any eventual direct benefit. On the other hand, the signal given by the Dispute Settlement Body has served to strengthen the legitimacy of the demands for the reduction of cotton subsidies as contained in the Sectorial Initiative.

8. The work of the Sub-Committee on Cotton has, to date, not provided any concrete results. To reaffirm their demand at the WTO, the countries which launched the Initiative, through the African Group, introduced a new negotiating proposal on 29 April 2005 requesting the elimination of subsidies in the short term and seeking the creation of an emergency fund, which should be operational until a final solution to the problem is found. To the great displeasure of African countries, no written and reasoned answer has been given to this demand by the countries concerned.

9. Above all, besides the Brazilian victory, African cotton producers formed a new association (APROCA) to defend their interests, while African industries strengthened the African Cotton Association (ACA). Similarly, many voices arose in the United States against the unfair subsidies granted to American cotton producers, while important

personalities, notably the President of the World Bank and the European Commissioner for Trade ... committed themselves to supporting the dossier.

10. Now, inspite the inexplicable tardiness in the treatment of this dossier, coupled with the general pessimism about the overall negotiations, African countries are about to continue firmly with the defence of the cotton dossier at the WTO Ministerial Conference in Hong Kong. Civil society members are continuing to disseminate the Sectorial Initiative. To do so, they must mount a technical defence as well as obtain media coverage of the content of the dossier to impact on the progress of the initiative. Their work is being done in perfect harmony with the governmental authorities in the countries concerned. Hence, many activities have been scheduled on the road to Hong Kong.

Objectives

11. In this regard, a day of reflection is organized in Hong Kong, to take place on **Monday 12 December 2005**, before the Ministerial Conference, on the following topic: **“WTO Sectorial Initiative on Cotton: What to expect from the Hong Kong Ministerial Conference?”** It is organized by the *International Centre for Trade and Development (ICTSD)*, *Enda Tiers Monde*, *the African Cotton Association (ACA)*, *the African Cotton Producers Association (APROCA)*, *OXFAM International* and *the Permanent Mission of Benin in Geneva*.

12. This meeting, called **Cotton Day**, aims to systemize the demands of the different African countries with the intention of inscribing them in good stead in the agenda of the Ministerial Conference and lead to operational, effective, and rapid solutions. More precisely, the **Cotton Day** aims at:

- Providing a platform for exchange and dialogue between the different actors involved in the Sectorial Initiative on Cotton: the Geneva-based negotiators, industry, producers and NGOs. Beyond the debate on these substantial issues, the objective is to conceive communication strategies which are likely to propel the cotton dossier to the forefront during the Ministerial Conference.
- Offering a window and space for dialogue to the different officials to allow them to share their vision of the dossier and the positions of principles which come out of their negotiating mandate. The Trade Ministers of the countries involved will be invited to this meeting, the objective is also to allow civil society and government to gather in promotion of the Cotton Sectorial Initiative.
- Mobilizing the African and international press to provide them with the key elements and the latest developments of the dossier. In that regard, there will be a press conference organized to enable government representatives to speak on their objectives and expectation from the Ministerial Conference.

- Present and disseminate a joint publication on cotton entitled: “**International Trade Negotiations and Poverty Reduction: the White Paper on Cotton,**” published by ENDA Tiers Monde in collaboration with the International Centre for Trade and Sustainable Development (ICTSD), APROCA, and ACA.

Methodology

13. The Cotton Day will be divided into two sessions: the morning session will be dedicated to a Round Table with representatives from civil society (NGOs, producers, industry, media, etc). The key points of the dossier and expectations of the African populace will be communicated. Geneva-based negotiators – ambassadors – will also be invited to trace the evolution and the state of the negotiations at the WTO to present. The afternoon session will be reserved for officials: Trade Ministers, government representatives from developed countries, and other concerned delegates based in Geneva, notably Brazil. The international media present in Hong Kong will also be invited to transmit the dossier.

<h1 style="margin: 0;">Cotton Day Program</h1>
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Welcome and Introductory Remarks

Public Conference

10H30 - 12H30

1. From Cancun to Hong Kong: Evolution and Objective of the Sectorial Initiative on Cotton at the dawn of the 6th Ministerial Conference.
Speaker: **Samuel Amehou, Ambassador of Benin to the WTO.**
2. The US Response
Speaker: **Karan Bhatia, United States Deputy Trade Minister (USTR)**
3. The Loss of Income of Western African Countries: what are the impacts on the cotton industry in terms of quality and competitiveness?
Speaker: **Ibrahim Malloum, President of the African Cotton Association.**
4. African Cotton and Poverty Reduction: what to expect from the WTO and other international organisations?
Speaker: **François Traoré, President of the African Cotton Producers Association.**
5. Consensus and the Specificity of the Cotton Case: what are the possible alliances for transforming Hong Kong into a success?

Speaker: **Romain Benicchio, Political adviser on Trade, OXFAM International**

6. Four Years of Cotton Campaigning – impact assessment and prospective:
presentation of the joint publication on the cotton

Speaker: **Eric Hazard, Programme Officer, Enda Tiers Monde**

Chair: **Christophe Bellmann** – Programmes Director – ICTSD

Afternoon Session
Public Press Conference
15H – 16H30

Speakers:

BENIN

Mrs Massiatou Latoundji Lauriano

Minister of Industry, Trade and Employment promotion

BURKINA FASO

Mr Benoit Ouattara

Minister of Trade, Entrepise Promotion and Craft industry

MALI

Mr Chogel Kokala Maïga

Minister of Industry, Trade and Transportation

SENEGAL

Mr Mamadou Diop Decroix

Minister of Trade

TCHAD

Mrs Ngarmbatina Odjimdeye Soukate

Minister of Trade and Craft industry

UNITED STATES

Ambassador Karan Bhatia

Deputy United States Trade Representative (USTR)

Chair: **Ricardo Melendez ORTIZ** – Directeur – ICTSD
