

**Special Virtual Meeting of the General Council on Covid-19
Trade-Related Measures**

15 May 2020

Statement of India-Delivered by Ambassador Deepak

Thank you, Chair, for convening this meeting to exchange views on the economic and trade impact of the Covid-19 pandemic. I also thank DG for his Report.

2- This crisis is a powerful reminder of our inter-connectedness and the need for a coordinated, global strategy to overcome the unprecedented public health situation. If we do not wipe out the virus everywhere, we will not wipe it out anywhere! However, in formulating a response, it is critical to bear in mind that the negative effects of this pandemic will be felt unevenly, though widely. The strain on economic, food and livelihood security will disproportionately impact developing countries and LDCs with large populations and limited resources. Therefore, they need special treatment.

3- In this backdrop, allow me to share India's views on the role that the multilateral trading system can play in combating and responding to the Covid-19 pandemic. I will make five broad points, which will also touch upon the statements and proposals put forth by certain WTO Members on trade and Covid-19.

4- First, we acknowledge the importance of coordinating the global response in a way that avoids unnecessary disruption in the flow of vital medical supplies, food and other goods and services across borders. India has been playing a proactive role in ensuring the availability of vital drugs such as hydroxychloroquine and paracetamol across the globe. We have donated and exported critical medical supplies to more than 120 countries and have also despatched teams of Indian doctors to many.

5- Second, we are committed to the G20 leaders' statement that emergency measures taken in the wake of the pandemic should be "targeted, proportionate, transparent, and temporary". Members are free to reduce customs duties on imports of certain medical or agricultural products to zero, on a voluntary basis, if it serves their health and food security objectives. However, the narrative-push by some WTO Members to seek *permanent* tariff liberalization on a range of products in response to a *temporary* crisis, appears to be a thinly-veiled bid to use the crisis as an opportunity to gain market access for their exporters.

6- Developing countries seeking to shore up manufacturing capacity in medical products will require tariff protection for their nascent domestic industry. Further, job losses in many service sectors have to be compensated elsewhere. Therefore, India, like many other developing countries cannot agree to permanent tariff concessions, and

a dilution of the tariff bindings that we have paid for in the Uruguay Round.

7- Third, there has also been a growing narrative that seeks to prohibit the use of export restrictions on medical and agricultural products. Developing countries being unable to match the deep pockets of buyers in developed countries will see these products vanish in times of shortage. Export restrictions are a WTO-consistent policy tool that is important to prevent critical domestic shortages of food, medicine and equipment. Undoubtedly it is important that these export restrictions are temporary and imposed with restraint, taking into account the dependence of others. Clearly, a more effective and lasting way of ensuring food and livelihood security of the most vulnerable and promoting sustainable agriculture trade, would be by agreeing to eliminate the historic asymmetries in AMS entitlements in the Agreement on Agriculture and addressing growing hunger through effective food security programmes.

8- Fourth, if WTO Members are serious about trade-related measures aimed at combating Covid-19, then a useful starting point would be to enable the use of TRIPs flexibilities to ensure access to essential medicines, treatments and vaccines at affordable prices. If additional temporary flexibilities are required to guarantee this fundamental objective, so be it. Along with the flow of vital goods, the pandemic has also highlighted the need for ensuring easier cross-border

movement of medical professionals and the need for multilateral initiatives in this respect.

9- Fifth, the Covid-19 pandemic has accelerated the shift to a digital economy and thrown into sharp relief the gaping digital divide between developed and developing countries. Almost half the world's population does not have access to high speed broadband and is hence deprived of the access to virtual platforms, telemedicine, distance education and e-payments. This emphasizes the urgent need to build the capacity of developing countries and LDCs in areas like digital skills and broadband infrastructure, rather than negotiating binding rules on e-commerce, which will freeze the non-level playing field against their interests.

10- To conclude Chair, the economic hardship and other negative repercussions of COVID-19, makes carrying on with negotiations in a business-as-usual format untenable. However, as a responsible Member of the rules-based multilateral trading system, India stands ready to work constructively with other WTO Members to protect human life and restore trade, global economic growth and jobs. Having agonized in the last few months of the pandemic at how people have been dying, we need to urgently turn our attention to alleviating the terrible conditions in which so many are forced to live, especially in the developing world!

I thank you, Chair.