Abstract

The WTO and Food Aid: Food Security and Surplus Disposal in the 2015 Ministerial Decision on Export Competition

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In December 2015 at the WTO Ministerial in Nairobi, a Ministerial Decision was reached on export competition. This decision marked the first major breakthrough for the long post–Uruguay Round negotiations on agriculture. It was agreed in Nairobi that export subsidies for agricultural products would no longer be permitted as a policy option for members of the WTO. To fully discipline export subsidies, however, the opportunity to use food aid shipments as a means to circumvent the prohibition on export subsidies also needed to be dealt with. Any constraints on the use of food aid, however, should not inhibit the use of food aid to assist in providing food security for those requiring food during an emergency. Hence, there are two objectives of trade policy in the case of food aid – allowing food aid to contribute to food security and removing the ability to use food aid as a mechanism for surplus disposal. The Nairobi Ministerial Declaration allows food aid to contribute to food security but fails to remove its use for purposes of surplus disposal.

Keywords: Doha Development Round, food aid, Ministerial Decision, Nairobi, surplus disposal, WTO