

INDIA TO SEEK CHINA'S SUPPORT ON FOOD SECURITY AT WTO

NEW DELHI: India plans to seek China's support at the World Trade Organisation to press for a permanent solution to address concerns over food security among developing countries. Commerce and industry minister Nirmala Sitharaman is likely to discuss the matter with her Chinese counterpart during the bilateral meeting in the first week of September in Beijing.

"We are working with China and other Asian economies that are a part of G-33 to get a deal on food security," a government official told ET. "It is an issue that concerns developing countries which need to procure food grains for their population and subsidise poor farmers. Even China and Indonesia have these programmes," added the official, who did not wish to be identified.

China and Indonesia, both members of the G-33 grouping of developing nations, have so far not backed India's efforts to seek implementation of the trade facilitation deal along with other elements of the global agreements reached at Bali summit in December last year, including permanent solution to the public stockholding programme.



Sitharaman cancelled her visit to the two-day Asean-India economic ministers' meet in Myanmar that began on Tuesday, where she was expected to take up the matter with Indonesia.

"We have made it clear that we are not against trade facilitation but want all elements of the Bali package to be implemented together," the official added. China started setting minimum procurement prices in 2004 for wheat and rice through the Central Committee of the Communist Party of China and the State Council to safeguard farmers' livelihood by increasing their incomes and ensuring national food security.

When market prices are lower than the MPP, the government buys wheat and rice from farmers to mitigate their losses. However, when the market prices are higher than the MPP, no procurement is done through this method. Indonesia also has a public procurement programme that involves the government purchasing rice from farmers at administered

prices. "We are reaching out to countries through various mechanisms. Trade facilitation should be implemented along with food security. It was signed as a package and should be concluded as a package," the official added.

India is engaging with different groupings of nations in an effort to bring back members on the negotiating table when the WTO resumes work on September 1 after a month long break.

The Narendra Modi-led government had blocked the signing of the trade facilitation amendment protocol on July 31 on the grounds that there was no tangible progress on the food security issue of the developing countries. Only Venezuela and Bolivia supported India's stand while BRIC countries, along with some of the G-33 nations, backed the rich countries. "Many countries were arm-twisted to silence by the developed countries," said the official.

India has sought immediate setting up of an institutional mechanism to discuss possible solutions, which will lead to a permanent solution by December 31. It also wants the WTO's general council to review the progress by October 2014.