

WORLD TRADE ORGANIZATION

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Committee on Agriculture

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COMMUNICATION FROM THE EXECUTIVE DIRECTOR OF THE
INTERNATIONAL GRAINS COUNCIL PRESENTED TO THE 19-20 MARCH 1998
MEETING OF THE COMMITTEE ON AGRICULTURE (PART II, AGENDA ITEM A(ii))

I am pleased to provide you with an update on the re-negotiation of the Food Aid Convention 1995 as part of the follow-up to the Singapore Ministerial recommendations relating to food aid matters.

Since the last meeting of the Committee on Agriculture, members of the Food Aid Committee (Argentina, Australia, Canada, the European Community and its member States, Japan, Norway, Switzerland and the United States) formally decided to open the Food Aid Convention 1995 for re-negotiation. They have established a Working Group for this purpose and extended the life of the current Convention by one year to 30 June 1999.

FAC members' decision to re-negotiate the FAC 1995 reflects their desire to maintain this form of international co-operation in support of developing countries in need of food aid, while undertaking a major review of the role that food aid can best play in the context of the food security and trade liberalization objectives under the WTO and the World Food Summit Action Plan. Members hope that this review will contribute to enhancing the effectiveness and the impact of food aid.

The FAC Working Group had its first meeting on 11-12 February 1998. Its next meetings will take place on 24-25 March and 6-7 May 1998. Progress made in the negotiations will be reviewed by the Food Aid Committee itself, at its regular session scheduled for 18-19 June 1998.

At its first meeting, the Working Group began consideration of members' detailed proposals for changes to the existing Convention in the following areas:

- the objectives of a new Convention;
- basic principles and criteria for the conduct of food aid transactions;
- the list of eligible recipients;
- the targeting of food aid to those most in need;
- the products to be supplied;
- the bearing of the transportation costs for food aid shipments;
- facilitating local and triangular transactions;
- the impact of food aid on food production of recipients and the relationship to their food security strategies;
- donor co-ordination; and
- information and reporting requirements.

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As you will see, the process to review the Food Aid Convention 1995 is under way in earnest. FAC members wish to maintain, as appropriate, a dialogue with food aid recipients, potential FAC members and relevant international organizations. In this regard, at its meeting next week, the Working Group will explore further with WFP representatives certain suggestions made in respect of ways to improve food aid effectiveness as well as food aid criteria.

Should the WTO wish to have an opportunity to pursue any specific issues in greater detail with FAC members, I would be pleased to seek to arrange it.
