



INTERNATIONAL COTTON ADVISORY COMMITTEE

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Memorandum No. 773

To: Delegates to the Standing Committee, Coordinating Agencies, and Members of the Private Sector Advisory Panel

From: Executive Director

Subject: Activation of the Working Group on Government Measures (WGGM)

Date: December 21, 2004

At its 63rd Plenary Meeting, the Advisory Committee instructed the Secretariat to reactivate the Working Group on Government Measures. The WGGM will make recommendations to the ICAC conducive to the elimination of cotton export subsidies and all other subsidies and government measures that distort cotton production and trade. The Working Group is directed to report on an ongoing basis to the Standing Committee and to the 64th Plenary Meeting. As with all subcommittees or working groups of the Standing Committee, membership in the WGGM is open to all delegates to the Standing Committee who wish to participate.

The WGGM was originally established in response to a directive from the 60th Plenary Meeting in Victoria Falls, Zimbabwe in 2001. The mission of the WGGM, as determined in 2001, is to identify effective strategies to reduce and eventually eliminate the negative effects on trade caused by direct government assistance to cotton production and trade. Under the auspices of the WGGM, the ICAC sponsored an international conference on Cotton and Global Trade Negotiations in July 2002. The conference was held in Washington, DC in cooperation with The World Bank. The WGGM also prepared a report for delivery to the 61st Plenary Meeting in Cairo, Egypt in 2002. The Advisory Committee did not direct that the WGGM should continue to function after 2002. Accordingly, the WGGM was dormant during 2003 and 2004 while negotiations in the WTO on agriculture continued. However, during 2003 and 2004, the Secretariat continued to make annual reports to the Committee on the nature and scope of government measures that affect cotton production and trade.

The officers of the Standing Committee and the executive director met on December 16, 2004 to consider a plan of activities for 2005. It was determined that it will be most efficient to incorporate the first meeting of the WGGM in the agenda of the 475th Meeting of the Standing Committee scheduled for January 25, 2005. During the 475th Meeting, the Standing Committee will identify a Chair of the WGGM and will discuss an outline of specific activities to be pursued during 2005. Therefore, Coordinating Agencies with specific recommendations on activities for the WGGM are urged to communicate these recommendations to their Standing Committee delegates for discussion during the 475th Standing Committee Meeting.

Possible activities for the WGGM during 2005 might include organizing another Conference on Cotton and Global Trade Negotiations in Washington, organizing a series of seminars hosted by member countries, arranging with the Subcommittee on Cotton of the WTO to make a presentation to WTO negotiators in Geneva, or other activities. The Secretariat hopes that there will be a robust discussion of ideas for activities under the auspices of the WGGM during the next meeting of the Standing Committee and asks that Standing Committee delegates and Coordinating Agencies consider this matter in advance.