

Eliminating Export Subsidies for Inclusive Trade

Outcomes of IFPRI's Research in Export Subsidies



IFPRI's trade research has been contributing to discussions on trade policies and rules at the World Trade Organization (WTO). Recent discussions, debates, and final resolution around the important issue of eliminating agricultural export subsidies were informed by IFPRI's research: *Catastrophic flood or inoffensive drizzle: Assessing the impact of countries using the existing water in export subsidies* (2015), *Export Subsidies and Export Credits* (2014), and *That Was Then But This Is Now: Multifunctionality In Industry And Agriculture* (2002), which have been widely disseminated among WTO member countries. In December 2015 at WTO's 10th Ministerial Conference in Nairobi, WTO member countries agreed that export subsidies for agriculture would be abolished.

IFPRI's research on export subsidies showed robust evidence that if the WTO-allowed export subsidies (totaling US\$11 billion) were fully implemented, agricultural production in middle- and low-income countries will be displaced by about US\$12 billion, negatively impacting poverty reduction and food security in developing countries. The agreement reached in Nairobi, which is expected to end the distortion of market prices and prevent the possible displacement associated to export subsidies and similar measures, signals the strong global commitment to protect vulnerable populations.

The evidence IFPRI has been generating on trade issues has helped inform international negotiations and decisions, particularly to help make trade more inclusive of developing country smallholder farmers and women in agriculture. On September 27-29, 2016 in Geneva, WTO will be holding its annual **Public Forum** with the theme "Inclusive Trade." At this event, more than 1,500 participants including heads of state, global businesspeople, academics, and non-governmental organization representatives are expected to discuss how a wider range of individuals and businesses can participate in the trading system and how WTO rules can help ensure everyone benefits from trade. IFPRI will be hosting a session at the forum on September 29 called "**International value chains in agriculture: challenges and opportunities to address gender inequalities.**"

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