

G20 Chair's Statement¹

G20 Trade Ministerial

Milwaukee, Wisconsin

September 30 – October 1, 2026

1. The G20 Trade Ministers who met in Milwaukee, Wisconsin on September 30 and October 1, 2026, held candid discussions on the priorities of the G20 Trade Working Group for 2026. Specifically, ministers discussed the weaponization of food through coercive trade measures, structural excess capacity and production, the reform of the Most-Favored Nation (MFN) principle, and eliminating forced labor in global supply chains.
2. In selecting these four priorities, the U.S. G20 Presidency sought to have honest and frank conversations throughout the year among the world's largest economies on significant challenges in the global trading system. The U.S. G20 Presidency believes that such engagement can contribute to wider efforts to build a new international trading order that is based on principles of fair and balanced trade and better able to respond to today's economic realities.
3. Ministers expressed their appreciation to the people of Milwaukee and the State of Wisconsin for their hospitality. Located on the shores of Lake Michigan, Milwaukee has a long history of industry, manufacturing, and commerce. It provided an apt backdrop for these discussions on the challenges and opportunities facing the global trading system.

Condemning the Weaponization of Food Through Coercive Trade Measures

4. The U.S. G20 Presidency prioritized denouncing the weaponization of food through coercive trade actions. Weaponization of food is a fundamental and increasingly frequent challenge within the trading system, whereby a government takes targeted actions to slow, stop, or block the trade of food in order to exert coercive pressure on an unrelated geopolitical issue.
5. Members shared examples to illustrate how food weaponization and trade are interlinked, and how food weaponization can occur through the implementation of formal and informal measures. These coercive measures may target the export or import of food and agricultural products. Members also discussed how instances of weaponization of agricultural products had negatively affected food supply chains, threatening food security, and livelihoods of producers. Several Members noted the importance of working together to support the victims, including through complementary actions where possible. Many discussed the need to diversify markets, reduce dependencies on unreliable partners, and keep supply routes open. Others called for the reduction in trade barriers, and discussed the potential for raising

¹ This G20 Chair's Statement is drafted and circulated by the United States, which holds the G20 presidency in 2026.

concern about specific instances of weaponization and coercion in relevant international organizations.

6. Members agreed that trade in food and agricultural products should not be used as a tool for economic or political coercion. The U.S. G20 Presidency was gratified that members reached consensus on the G20 Statement on the Weaponization of Food Through Coercive Trade Actions. The Statement affirms G20 Members' condemnation of food weaponization, as it poses a significant humanitarian and economic threat.

Eliminating Forced Labor in Global Supply Chains

7. The U.S. G20 Presidency prioritized the elimination of goods produced wholly or in part with forced labor from global supply chains. Forced labor is a significant human rights violation and also constitutes a major trade concern by allowing some producers to unfairly profit from its use. The inclusion of these goods in global supply chains rewards inhumane and illicit behavior, distorts trade and competition, undermines efforts to protect workers and promote responsible business conduct, and disadvantages workers as well as firms that do not use or rely upon forced labor. The U.S. G20 Presidency encouraged members to adopt or maintain and effectively enforce measures that prohibit the importation or sale of goods produced with forced labor.
8. Although consensus was not reached, the U.S. G20 Presidency commends those members that supported the Statement on Eliminating Forced Labor in Global Supply Chains, namely Argentina and Mexico, and their commitment to prohibiting goods produced with forced labor from entering their countries. The U.S. G20 Presidency is severely disappointed that not all G20 members chose to take a stand against eliminating forced labor from their global supply chains through import prohibitions of goods made with forced labor. Forced labor should never be used to gain a competitive advantage nor excused under the guise of economic development.

Addressing Structural Excess Capacity and Production

9. The U.S. G20 Presidency prioritized addressing structural excess capacity and production. This is not a new issue for the G20. In 2016 in Shanghai, G20 Trade Ministers released a statement expressing concern about excess capacity in certain industries and its negative impacts on trade and workers. Trade Ministers decided by consensus to participate in an OECD Steel Committee meeting that led to the creation of the Global Forum on Steel Excess Capacity (GFSEC) as a cooperative platform dedicated to developing and implementing collective solutions to address structural excess capacity and production and enhance market function in the steel sector. A few months later, at the Hangzhou Summit, G20 Leaders unanimously stated that "excess capacity in steel and other industries is a global issue which requires collective responses. We also recognize that subsidies and other types of support from government or government-sponsored institutions can cause market distortions and contribute to global excess capacity and therefore require attention. We commit to enhance communication and cooperation, and take effective steps to address the challenges so as to enhance market function and encourage adjustment."

10. Despite those commitments, and the efforts undertaken by some G20 members, structural excess capacity and production has worsened since 2016, harming an array of domestic industries and their supply chains. Against this backdrop, G20 members discussed instances of structural excess capacity and production in economies that persistently exceeded global demand; would not have existed under market conditions; and were created, sustained, or contributed to by government policies or interventions. Several members differentiated between structural excess capacity and production, driven by persistent, distortive market intervention, and cyclical changes in capacity that reflect market-driven changes in supply or demand.
11. A significant majority of members noted that although trade defense instruments have been authorized under WTO rules, they are ineffective at addressing the underlying policies and practices that contribute to the problem. Existing trade remedy tools are too slow and do not sufficiently target the source of the structural excess capacity and production. At the same time, it was noted that the WTO is unlikely to deliver any progress on that issue, given it is unable to deliver solutions on relatively simple issues in the trading system.
12. The U.S. G20 Presidency sought consensus on a G20 ministerial statement to address structural excess capacity and production. The statement called on all countries to take steps to eliminate structural excess capacity and production in their economies, including by ending the use of non-market policies and practices that distort markets and contribute to the problem. The statement also expressed the resolve of all G20 members to work together in new, dedicated sectoral platforms to further examine and take effective and complementary actions that address structural excess capacity and production in key sectors of concern. The draft ministerial statement was supported by all but a handful of members, a few of whom firmly rejected creating this pathway toward cooperative action. The U.S. G20 Presidency was severely disappointed by their refusal to agree to the statement.

Reforming the MFN Principle

13. Lastly, the U.S. G20 Presidency prioritized discussing how to reform the MFN principle. The U.S. G20 Presidency framed the discussion by noting its view that the MFN principle has failed to promote reciprocity and balance in the trading system, undermining fairness. The MFN principle does not just fail to *promote* fairness; it prevents Members from reaching agreements or taking other actions to *address* profound unfair practices. For example, two countries with a demonstrated commitment to fair, market-oriented competition cannot lower trade barriers that do not cover “substantially all the trade” unless they also lower those trade barriers for countries that engage in unfair, predatory practices. As a result, MFN acts not as a lubricant but as a glue, locking in the status quo and preventing new, beneficial agreements among trading partners.
14. Many members called MFN a cornerstone of the multilateral trading system, but an increasing number of members, across the development spectrum, indicated they see merit in considering how MFN has evolved in practice and how it might be improved. A number of members noted there are justifications for treating different partners differently; these include

economic security, an unlevel playing field, value-based standards, and high-standard marketplaces.

15. Some G20 members expressed a willingness to think carefully about making changes to the MFN principle. Some of the potential changes identified by various members during the year include making targeted changes to MFN to achieve rebalancing; expanding the exceptions to unconditional MFN; issuing legal interpretations to clarify and enable greater use of existing exceptions; and reviewing GATT Article XXIV. Some members suggested approaches that would significantly alter the practice of MFN, such as “closed” plurilateral agreements, whereby those who undertake strong commitments receive MFN treatment and benefits accrue only to the parties to those agreements. Several members suggested making trade remedies faster, more automatic, and more targeted to the source of the problem, noting that tools authorized under WTO rules are wholly inadequate for addressing the policies and practices that drive severe distortions. Overall, the wide range of views expressed by G20 members underscored that these sessions marked the beginning of a serious and necessary deliberation about MFN reform.
16. The U.S. G20 Presidency appreciates G20 members’ contributions to our candid, substantive deliberations in Milwaukee. We look forward to the presidency of the United Kingdom in 2027.