

Geneva Watch

An overview of the WTO negotiations on agriculture

Editorial: A Doha Light Package by December?

The 21-member countries of the Asia Pacific Economic Cooperation (APEC) agreed last week to not give up on the Doha Round, but also acknowledged that they cannot simply keep on doing what they have been doing the past few years if they want to reach an agreement on the ten year-old Development Agenda. Support for the idea of reducing the ambition in order to agree on a smaller set of subjects by the December 15–17, 2011 Ministerial Conference, has been getting more and more attention recently. The question, however, then becomes: which topics should be prioritized as part of the “December deliverables”? Given Members’ polarizing interests, one should not be surprised if this discussion doesn’t run into the same roadblocks that have been keeping the rest of the Doha Round deadlocked.

APEC Ministers Responsible for Trade

Trade Ministers from the Asia Pacific Economic Cooperation¹ (APEC) agreed to work toward developing “a clear and realistic path forward” that would lead to a successful conclusion of the Doha Development Agenda (DDA).

Discussions at the May 19-20 meeting in Big Sky (Montana, U.S.) allowed Ministers to acknowledge that gaps in many areas of the Doha Round “remain unbridgeable, as of now,” thus pushing them to “explore urgently” the next steps that would ensure the global trading system will continue to play its key role in promoting global growth and development.

“We direct our negotiators to review urgently all options, in light of the development dimension as mandated, and to work with all WTO Members to find a path forward,” building on the progress already achieved over the past ten years in the DDA negotiations, APEC Trade Ministers said in a statement released at the end of the two-day gathering, adding that “these steps are pressing and cannot be deferred.”

The Big Sky reunion was the second of three ministerial meetings taking place this month where WTO’s Director General, Pascal Lamy, intends to consult with Trade Ministers on the negotiations’ next steps following the release of the so called “Easter Package.”

U.S. Trade Representative, Ron Kirk who chaired the meeting, seized the opportunity to voice his country’s disappointment with respect to the lack of concrete progress in the DDA since Members displayed a renewed sense of optimism in Davos at the end of January 2011.

“That optimism has not been borne out,” the USTR said, adding that Members now have “a clearer picture of just how far apart we are on the core question of market access ambition – certainly in NAMA, but also with regard to services and agriculture. We are not in good shape,” he stressed.

The question Members have before them is ‘what to do next,’ to which the USTR suggested three possible options: “keep doing what we have been doing, give up, or start thinking of something different that will lead us in a better direction.”

¹ Australia, Brunei, Canada, Chile, China, Honk Kong, Indonesia, Japan, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, the Philippines, Russia, Singapore, Taiwan, Thailand, South Korea, the U.S. and Vietnam

Most Members recognized that the negotiations can no longer be concluded as currently outlined by the end of 2011 and since they all rejected the option of declaring failure, the only choice they have before them is to brainstorm something new as simply restating their commitment to the Round “rings increasingly hollow” Kirk said.

“We need to begin a hard-nosed discussion of what can be done. We need to explore what ‘next steps’ we can take to find a more productive path – and, if we find that path, to take it as quickly as possible.

“We need to do something more. But what?” Kirk asked Ministers.

Some Members reportedly pushed for a “Doha light” package. Others want the focus to be put on achieving an interim agreement on rule-based issues at the 8th WTO Ministerial Conference scheduled to take place in December 15–17, 2011. Either way, most agreed that something concrete must be adopted by the end of the year.

The so-called “deliverables” advocated by some have yet to be defined, but already sources say it could include issues such as duty-free quota free for LDCs, trade facilitation or an agreement on fisheries subsidies.

Officials say trade facilitation could easily be part of the “deliverables,” but Members need to actively start negotiating on narrowing their differences in that area of the negotiations as the latest draft modalities text on this issue contains no less than 850 square brackets. That being said, officials believe the divergences are not that litigious and some sort of agreement could be worked out by December if tackled seriously in the coming weeks and months.

Informed sources also claimed that Lamy has asked G-7 Members (Australia, Brazil, China EU, India, Japan and the U.S.) to think hard about what they want to see as part of the “deliverables”. The list will likely be discussed at the Green Room meeting preceding Lamy’s May 31st report to the full Membership.

It is expected that the discussion on the next strategy to be adopted will not be easy, let alone the selection of topics to be included among the “deliverables” should Members agreed to follow that path which could prove to be “incredibly difficult,” to borrow Ron Kirk’s words. Nevertheless, discussion on this issue is expected to continue among ministers participating to the OECD 50th Anniversary Forum and Council in Paris the week of May 23rd.

As Ron Kirk cautioned while some of this discussion will undoubtedly take place in the context of preparing for the December ministerial conference, Members should be cautious about creating expectations unless they have a fair degree of confidence that they can be met.

Upcoming Events

- OECD 50th Anniversary Forum and Council, May 23–27, 2011, Paris (France)
- 37th G-8 Summit, May 26-27, 2011, Deauville (France)
- Informal TNC, May 31, 2011
- G-20 Summit on Agriculture, June 22-23, 2011, Paris (France)
- Regular Agriculture Committee, June 23, September 29, and November 2011
- Third Global Review of Aid for Trade, July 18-19, 2011
- WTO General Council, July 27-28, October 12-13, December 1-2, 2011
- WTO Public Forum, September 19–21, 2011
- G-20 Summit, November 3-4, 2011, Cannes (France)
- APEC Ministerial Meeting, November 11, 2011
- WTO Ministerial Conference (MC8), December 15–17, 2011

Geneva Watch is published by Dairy Farmers of Canada, Chicken Farmers of Canada, Egg Farmers of Canada, Turkey Farmers of Canada and Canadian Hatching Egg Producers to report on the various events occurring in Geneva, particularly on the WTO negotiations on agriculture.

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Legal Deposit: National Library of Canada, ISSN 1496-9254

