

Geneva Watch

An overview of the WTO negotiations on agriculture

Editorial: Sorting Out the Various MC8 Agendas

Nothing concrete emerged from the G-11 ambassadors' initial discussions on what to do with the Doha Round at the December Ministerial Conference (MC8) and beyond. The meeting highlighted the growing divide between developed and developing countries over the way forward: whether or not Members should change the mandate to lower the Doha Round's ambition or whether to walk away from the single-undertaking by securing a deal on bits and pieces. However, even though consensus did not emerge on how to move forward, the discussion nevertheless showed a more willing U.S., one that seemed to genuinely walk away from its previous posture calling for the effective death of the Round. The Deputy USTR, and U.S. ambassador to the WTO, is now open to explore options for continuing negotiating in 2012.

G-11 Senior Officials Meeting

Ambassadors from the G-11 (Australia, Argentina, Brazil, Canada, China, the EU, India, Japan, Mauritius, South Africa, and the U.S.) started brainstorming the way forward with the DDA on September 20th.

The full-day meeting focused on how to avoid eroding the WTO's credibility, which may be seriously impacted if Ministers fail to generate some momentum at the December 15–17 Ministerial Conference (MC8).

As expected, the meeting turned into a clash between developed and developing countries. Australia suggested a three-way process whereby Members will still consider delivering something for the least developed countries, but also consider working on other rule-making topics and leave aside key parts of the market access matter, and finally undertake work in parallel to the Doha items by addressing sectors in plurilateral fashion.

This idea was also supported by the EU official who, like his Australian counterpart, doesn't believe that declaring failure or suspending the negotiations is an option. Effectively ending the Round or aiming for the status quo will both lead to erode the WTO credibility. "We can't build a new mandate," the EU said adding that inertia will not lead to a well functioning organization. Thus, Members have no other choices than building on what has been achieved so far, while being realistic and pragmatic about what is possible.

2012 is a transitional year, the EU said, but one that needs to be managed carefully by keeping some level of activity ongoing, whether by looking at some non-ambitious, neither confrontational market access topics, both within and outside the Doha Round like the Government Procurement Agreement (GPA).

However, developing countries were not particularly excited about the Australian proposal. Emerging economies (Brazil, China, India and South Africa) in particular were firm on the need to preserve both the mandate and the single-undertaking.

India said it doesn't believe in an early harvest, one that would see issues like trade facilitation or rules topics being agreed ahead of the rest. Rules, India said, are in effect market access.

Mauritius agreed, claiming that agreeing on Rules will effectively create disequilibrium between rules and market access. There is a need to maintain the single-undertaking as is to ensure balance.

South Africa reminded ambassadors that the world has effectively changed and the 2008 crisis has a lot to do with it. As a consequence, it has become increasingly difficult to open markets faster and further. A point also shared by Brazil, for whom avoiding the blame game and preserving the WTO credibility are the most important things. Market access issues will not be resolved in 2012. In theory, Brazil said, countries engage in trade in period of crisis. However, that theory is far from the political reality, it added.

The one idea that seemed to record the most support was related to least-developed countries (LDC). Australia, the EU, and Mauritius agree with South Africa that some sort of LDC package will have to be delivered in December.

The U.S. said it was not totally against the idea, but urged G-11 ambassadors to be creative and come up with a modest package, one that does not include the divisive elements that were previously considered as LDC-plus package (Cotton, DFQF and Services Waiver for most part).

Canada, meanwhile, suggested a “non-aggression pact” whereby Members will show willingness to discuss both current and new issues in 2012.

The meeting ended without consensus on the 2012 work program. Members are still unclear about what will be served to Ministers at the MC8. “The temptation is to now try to ‘manage’ as best the MC8,” said one official who attended the meeting.

This meeting was the first of several senior officials’ gatherings to come in the coming months leading to the MC8.

Upcoming Events

- Regular Agriculture Committee, September 29 and November 2011
- WTO General Council, October 12-13 and December 1-2, 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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