

Ministerial Language Adopted

After missing the November 2nd deadline to finalize the 8th Ministerial Conference (MC8) agenda, Members have spent this past week negotiating hard on what will constitute the MC8 chairman statement. They targeted the November 30th General Council as the drop-dead cut-off date to reach consensus on the so-called “possible elements for political guidance.” As such, Green Room meetings were held on November 27–29 with two dozen countries participating, including all major players and group coordinators.

These Green Room meetings were followed by an informal heads-of-delegation meeting the afternoon of November 29th to share and discuss the results of the MC8 language with the full Membership. At the November 30th General Council, both the WTO director general and general council chairman, Ambassador Yonov Frederick Agah, insisted on the need to conclude the 17 agenda items the same day, and urged Members to go as late as necessary to finish the agenda.

As such, the meeting ended late on November 30th, partly because Lamy was due to travel to Accra (Ghana) on Dec 1st to attend the African Union Trade Ministers meeting on December 2nd and where he is likely to introduce the agreed MC8 language – which heavily benefits least-developed countries (LDCs).

Problem of Transparency & Inclusiveness

Lamy told the General Council that in his consultations, he has not heard “signals or proposals to give up on the objectives you set when the Doha Development Round was launched (...) so, the Doha mandate and all the principles enshrined in the Doha Ministerial Declaration, including the single undertaking, transparency and inclusiveness continue to guide our work forward.”

It is actually the words transparency and inclusiveness that created problem as Cuba – supported by a group of Latin American countries including Venezuela, Ecuador, Peru, Bolivia and Honduras – said it could not join the consensus and support the document as it stands since it did not participate in the Green Room discussions.

Cuba asked for the text to be amended so it reflects the need to get everyone involved in the elaboration of future negotiating documents. As such, it proposed adding the word “inclusiveness” in paragraph 4 of the DDA text because it said transparency was not enough. *“In order to achieve this end and to facilitate swifter progress, Ministers recognize that Members need to more fully explore different negotiating approaches while respecting the principles of transparency and inclusiveness.”*

Venezuela, Ecuador and several developing countries – including Brazil – supported Cuba’s proposed wording. Cuba said it needed up to December 2nd to consult with its capital, before it could provide its final support.

However, Agah objected, giving Cuba and its supporters up to December 1st at 6 p.m. to agree with the proposed MC8 text and added that if he had not heard anything by that time, the text would be considered approved by all and sent to Ministers – which was ultimately the case.

Doha Development Agenda

Lamy said he sensed “convergence emerging around the idea that Members advance negotiations in areas where progress can be achieved,” in line with paragraph 47 which allow them to reach agreements based on consensus earlier than the full conclusion of the single undertaking, a directive that was also endorsed by G-20 leaders in Cannes.

However, some delegates admit still being somewhat unsure as to how that would effectively operate.

First, there is a little debate emerging around which topics could be considered under para 47. Some developing countries claimed that the provision was created to only target developing countries issues such as 97% duty free quota free access to developed and emerging markets while other Members like Australia argue that the so-called “low-hanging fruits” could also include non-LDC issues.

At the November 30th general council meeting, Ecuador insisted that para 47 must only be considered in areas of work where developing countries have a major share of world trade.

The statement also confirms that Members will sort of fragment the DDA in order to address it on a piece by piece basis “to facilitate swifter progress.” As such, Ministers will “recognize that Members need to more fully explore different negotiating approaches while respecting the principles of transparency and inclusiveness,” giving way to fully implement the plurilateral approach. Sources say Members could start with DFQF and other LDCs issues that could be delivered by the time of the G-20 Summit in Mexico in June 2012 to create some momentum.

In addition, the MC8 text urges negotiators to find new ways to overcome the most critical and fundamental stalemates in the areas – such as NAMA sectorals – “where multilateral convergence has proven to be especially challenging.” As Lamy put it, “the future work of the negotiating group will depend on the direction given by Ministers on the DDA at the MC8.”

Finally, the MC8 statement will confirm that negotiations will continue on the basis of the revised draft modalities texts of last April even though some Members previously voiced concern with respect to the texts, saying they could not consider this as the foundation for future discussions.

By stating that “Ministers maintain that, in their negotiations, they will continue their work based on the progress already made,” Ministers will de facto approve that progress made so far remains the basis for future negotiations.

“The elements for political guidance provide us with a shared sense of direction. What is needed now is to operationalize these elements. I would therefore encourage Ministers to use their interventions at the upcoming Ministerial to provide guidance in this respect to ensure that real progress can be achieved in 2012,” Lamy told the General Council.

“Guidance is needed both in respect of where and how progress can be achieved in the shorter term as well as on how to overcome the stalemate in areas where convergence has proven challenging. In doing so, I believe that Ministers need to address the essential question which in my view is behind the current impasse: different views as to what constitutes a fair distribution of rights and obligations within the global trading system, among Members with different levels of development. This is a political question to which a political response will be required,” he said in closing – which pretty much summarizes what is expected from Ministers at the MC8.

Upcoming Events

- WTO Ministerial Conference (MC8), December 15–17, 2011
- Regular Agriculture Committee, March 21-22; June 20-21, September 26-27, 2012

