

Geneva Watch

An overview of the WTO negotiations on agriculture

Davos Mini-Ministerial Agenda

Key WTO Members prepare for what has become the traditional kick-off of the global trade talks following the Christmas break. In keeping with tradition, Swiss Economic Minister, Johann Schneider-Amman, has invited some 30 trade ministers – including the U.S., the EU, Canada, Australia, Brazil, and India – to attend the WTO informal ministerial meeting on January 28th at the January 25–9 World Economic Forum annual meeting in Davos, Switzerland.

According to Swiss officials, discussions this year will focus once again on the state of the moribund global economy and how the WTO can help exit the current crisis. Informed sources said debates will take place around possible ways forward with the multilateral trading system and the need to find a balance between developed and developing countries, taking into consideration their respective importance in the global economy.

This discussion is derived from the conclusion of the WTO 8th Ministerial Conference (MC8) held last December where Director General, Pascal Lamy, urged trade ministers to “address the essential question behind the current impasse: different views as to what constitutes a fair balance of rights and obligations within the trading system, among Members with different levels of development.”

Trade Ministers are also expected to brainstorm how to operationalize plurilateral negotiations as the new negotiating approach to jump-start the Doha Round out of its impasse.

A first test of this new approach will come in the next few weeks. A group of ambassadors intends to explore the feasibility of a services plurilateral agreement outside the Doha Development Agenda (DDA). This initiative carried by Australia and the U.S., aims to see how various services commitments could be merged into a broader agreement, an idea the so-called “Friends of Services” – involving senior officials from Australia, Canada, Chile, Colombia, the EU, Hong Kong, Japan, Mexico, New Zealand, Norway, Pakistan, Singapore, South Korea, Switzerland, Taiwan and the U.S. – plan to brainstorm in the next few weeks.

The group held their first meeting on January 18th in Geneva but sources said the discussion could be picked up by trade ministers present in Davos, even though talks there are not expected to land concrete proposals.

“At the MC8 what happened, which was constructive, is that everyone agreed we need to explore new pathways for negotiations,” U.S. ambassador to the WTO, Michael Punke, said on January 18th.

The U.S. considers services among the top issues that can be explored and claim that the initiative is drawing a lot of interest.

“There’s a lot of interest right now in this concept of a services plurilateral. So, along with exploring other areas of more constructive discussions in Doha, one of those areas we want to put some energy into is an exploration of the services plurilateral,” the deputy U.S. Trade Representative added.

However two questions remain: the first is the participation of emerging economies – such as Brazil, India and China – who did not take part in the January 18th “Friend of Services” meeting and who have openly opposed plurilateral approaches as the way forward to the negotiations at the MC8, expressly calling for a continuous bottom-up, transparent and inclusive negotiations.

The other question pertains to how this initiative could be pursued under current WTO rules. Sources say this could be added under Annex IV of the 1994 Marrakesh Agreement but will need the approval of the full WTO Membership, or under General Agreement on Trade in Services (GATS) Article V which, in turn could prevent those outside the deal to benefit from the accord.

Upcoming Events

- NAMA Negotiating Group informal meeting, January 24, 2012
- World Economic Forum Annual Meeting, January 25-29, 2012, Davos-Klosters (Switzerland)
- WTO General Council, February 14-15, May 1-2, July 25-26, October 3-4, December 19-20, 2012
- Regular Agriculture Committee, March 21-22; June 20-21, September 26-27, 2012

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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