

Geneva Watch

An overview of the WTO negotiations on agriculture

Davos & Doha: Ministers Committed, Differ on Plurilaterals

Trade Ministers met on the sideline of the 42nd World Economic Forum (WEF) annual meeting in Davos. Of the 20 countries invited, only China – as expected – was missing in action (the guest list included Australia, Argentina, Brazil, Canada, the EU, Haiti, Hong Kong, India, Indonesia, Japan, Korea, Mexico, New Zealand, Peru, Singapore, South Africa, Switzerland and the U.S.). This was the setting for the traditional WTO mini-ministerial hosted by the Swiss Economic Minister, Johann Schneider-Amman.

Swiss officials said no official statement would be released at the end of the meeting. The understanding was to only have a verbal outcome, nothing on paper, in order to avoid putting additional pressure on Members.

As such, the two-hour discussion was described as “very good.” The group agreed on pursuing a more “pragmatic” and “realistic” approach, one that is not too “prescriptive”, to help move forward the moribund Doha Development Agenda (DDA) an official who took part of the meeting said.

Members supported the idea to break the round into more manageable packages to build confidence. They reiterated their commitment to deliver parts of the DDA package benefiting Least-Developed Countries (LDCs) this year.

Among the topics discussed were non trade barriers (NTBs), duty-free quota-free (DFQF) but also cotton, export competition, fishery subsidies and trade facilitation, even though, one source said, Japan continues to oppose the inclusion of fisheries as part of the early harvest.

Concerning the new negotiating approach, U.S. Trade Representative, Ron Kirk, said Members agreed – with a few exceptions – that alternative approaches need to be discussed. These “exceptions” were emerging economies: India, Brazil and South Africa (IBSA). The three countries issued a paper in which they opposed the use of a plurilateral approach as a way forward for the Doha Round.

India’s Commerce Minister, Anand Sharma, Brazil’s Minister of External Relations, Antonio Patriota and South Africa’s Trade minister Rob Davies held their own sideline meeting on January 27, at the WEF.

The three “expressed deep disappointment at the current impasse in the DDA negotiations,” but nevertheless “reiterated the need to conclude the Doha Round as soon as possible, building on the significant progress already achieved and on the careful balance of concessions negotiated since the launching of the Round in 2001.”

The IBSA ministers “emphasized that ‘plurilateral initiatives’ go against the fundamental principles of transparency, inclusiveness, and multilateralism.”

These initiatives, they added “weaken the resolve of WTO Members to overcome the substantive gaps that exist among them and also fail to address the development deficit inherited from previous negotiating Rounds.”

Even though, no discussion on plurilateral really took place among trade ministers, Kirk said he was somewhat disappointed that the three emerging countries released their statement.



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. held a meeting on January 18 to explore the feasibility of a services plurilateral agreement. The so-called “friends of services” are likely to continue their discussion the week of February 13th with yet another technical discussion in the area of services.

New Models for Multilateral Cooperation

The discussion on plurilateral initiatives was nevertheless tackled during a plenary session on trade titled – *After Doha: the Future of Global Trade* and moderated by Harvard Professor of Trade and Investment, Robert Lawrence.

Trade ministers from the EU (Karel De Gucht), Australia (Craig Emerson), India (Anand Sharma), Indonesia (Gita Wirjawan) and the U.S. (Ron Kirk), joined WTO Director General, Pascal Lamy, and Brazil’s Embraer President and CEO, Frederico Fleury Curado to brainstorm Doha’s next strategy.

There, Emerson disagreed with the IBSA ministers, claiming that plurilateral negotiations can be entirely consistent with the multilateral trading system – just like the Information Technology Agreement and Government Procurement Agreement – both proved dynamic and enlisted increasing membership over time.

“We shouldn’t pre-negotiate the negotiations,” Emerson told his counterparts. “Let’s allow the group to form, see what momentum is achieved.” It does “prevent hostage-taking” where someone links one part to the other to which it is unrelated, the Australian Minister said.

Plurilateral agreements could play a “facilitative role” for advancing the multilateral system.

“As a doctor,” Emerson said, “Doha is not dead. It is alive but unwell.” There is enough life in it but it is very feeble after 10 years. With 157 Members soon, “we passed the critical level of which complexity is a defining feature,” he added.

Lamy said he is quite convinced that progress in the multilateral context can take place in the coming months. “But please do not expect trumpets and drums,” he quickly added, especially in the present macroeconomic context. “Let’s go to a quiet mode for some time, get things done and then maybe the biggest prices will be doable.”

There is “some modest hopes” for Doha down the road, the moderator said in his closing remarks adding that there was a “legitimate need” expressed for a “policy space,” a search for some kind of balance, where can be incorporated, within the multilateral context, some of those deeper initiatives, like plurilaterals, “starting with just a few and then growing to meet the needs of many.”

NAMA Informal Consultation

The Negotiating Group on Market Access for Non Agricultural products (NAMA) held its first meeting of the year on January 24th. The chair, Swiss ambassador Luzius Wasescha, said he wanted to hear Members opinions, ideas and suggestions on how to move forward with the NAMA negotiations taking into account the conclusions of the 8th Ministerial Conference, where trade ministers reiterated their commitment to reach a successful conclusion of the DDA. The Swiss ambassador reminded Members of ministers’ decision to explore different negotiating approaches to help reach consensus.

Several Members – including the U.S., Australia, Korea, New Zealand, Canada and Japan – mentioned the need to address not only NTBs (on which they made some progress the past few years), but also the tariff component of the mandate since, as mentioned by the U.S., NTBs are only a “modest” part of the negotiations.

Others, like Cuba, Ecuador and Argentina, insisted on the need for a balance between NAMA and the overall negotiations. Some countries like Pakistan regretted the lack of new ideas.

Wasescha nevertheless detected a general readiness to do something to advance the negotiation this year. However, at this point there was no consensus on what, when and how to do it. Thus, the Swiss ambassador suggested that Members finish off topics that are mature and keep it aside until there is clarity on how to deal with the rest of issues.

He put forward a three-step plan to help moving negotiations forward:

1. start consultations on all areas of the NAMA negotiations using different formats

after which Members would

2. switch to “a debate” where Wasescha intends to present different options

before finally

3. starting negotiations on these options

Another NAMA meeting is expected a month from now. In the meantime, Members are likely to turn their head to the new agriculture negotiating group chairman, New Zealand Ambassador, John Adank, who, according to delegates, is expected to follow Wasescha’s lead and convene “confessionals” in the coming weeks.

Upcoming Events

- Friends of Services’ Plurilateral Talks, February 13, 2012
- 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
- G-20 Summit, June 2012, Los Cabos, Baja California Sur (Mexico)

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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