

Geneva Watch

An overview of the WTO negotiations on agriculture

Moving Step by Step – Coolly, Calmly & Pragmatically

WTO Members held their first General Council meeting since the 8th Ministerial Conference (MC8) on February 14, 2012. The gathering allowed the full Membership to express their views on the way forward with the Doha Development Agenda (DDA). Director General, Pascal Lamy, urged Members to be “pragmatic” not “dogmatic” and to use this year “to move in small steps on issues where consensus exists” while at the same time keeping “expectations manageable.”

Among topics that could be moved forward this year, most believed that decisions taken on least-developed countries (LDC) issues at MC8 – such as TRIPS (trade-related aspects of intellectual property rights) Non-Violation Complaint, LDC services waiver or the decision to ease the criteria and benchmarks for market access and the multilateral rules negotiations of the LDC accession process – have garnered strong consensus to be delivered by June. In addition, officials said issues such as trade facilitation, non-tariff barriers or special and differential treatment (S&DT) have not met any opposition. However, issues like DFQF (duty-free, quota-free) or cotton, which some Members have raised among potential candidates for an early harvest, haven’t quite received the full Membership’s blessing.

Lamy asked Members to be “realistic and not set unattainable targets or packages which would lead to hostage-taking.” He said he heard “clear concerns that the proliferation of bilateral and regional trade arrangements risked scattering the global multilateral playing field.” As such, “attention should be paid to fostering convergence among both” he added. The current political environment dictates that members can only move in small steps, gradually moving parts of the Round that are mature and rethinking those parts of the Round that are challenging, Lamy stressed. Lamy added that up to now, he has encouraged all negotiating groups – except trade facilitation and dispute settlement – to consult informally.

In effect, since the beginning of the year, only four negotiating groups have held meetings. These are the negotiating group on trade facilitation (TF), the DSU (dispute settlement understanding) negotiations, NAMA (non-agricultural market access) and rules.

In TF, Members have agreed to establish a “facilitator-led work” for the first half of 2012. It is believed that quick progress can be recorded in that area in order to amend the draft consolidated text – that has still around 800 square brackets – by March 30th. In NAMA, the chair will pursue a three-step plan which features starting consultations on all areas of the NAMA negotiations using different formats before switching to a “debate” mode where different options will be presented and subsequently negotiated.

Meanwhile, other negotiating groups such as agriculture have not yet outlined a clear path ahead. In a fax sent to delegates on February 10th, the chair of the agriculture negotiations, New Zealand ambassador, John Adank said his doors are currently open for consultations with delegates who desire to do so. These “confessionals” are believed to help Adank elaborate a more specific work program for this upcoming year.

However, it’s the sideline discussion on services plurilaterals that is creating concerns. Lamy has already welcomed the initiative last January in Davos and did so again at the February 14th General Council meeting. He cautioned Members against “any dogmatic debates over concepts or principles” which he said would poison the new environment and won’t “lead us anywhere.”

He encouraged the 16 Members (Australia, Canada, Chile, Colombia, Costa Rica, the European Union, Hong Kong, Japan, Mexico, New Zealand, Norway, Singapore, South Korea, Switzerland, Taiwan, and the United States) involved in the services discussion to keep on negotiating without paying much attention to how this might be compatible with WTO rules as they will figure it out later, one official said.

At the General Council meeting, those opposed to the plurilateral initiative – India, China, and Brazil – claimed to be ready to participate in any form of discussion, but expressed concerns over the use of this negotiating format as the new basis under which deals could be struck. These emerging developing countries complain about the non-transparency, non inclusiveness of the initiative which currently takes place outside the WTO (the friends' next meeting is scheduled for February 15th). Those taking the opposite view say that plurilaterals have been taking place for years and are fully compatible with WTO rules.

For the time being, Lamy wants to keep discussions centred on small issues (low hanging fruits listed above). In the meantime, proponents of plurilaterals negotiations will explore which WTO rule will best suit the initiative. With the grim global economic outlook, Lamy is focused on getting negotiations moving – albeit calmly, coolly and pragmatically – by avoiding intense conceptual debates that may torpedo the fragile optimistic atmosphere that is currently prevailing and to “ensure that existing multilateral systems are not damaged”.

Lamy's “Panel of Multi-stakeholders of the WTO”

Lamy also briefly addressed his panel of multi-stakeholders with an objective of looking at the real drivers of today's and tomorrow's world trade, at today and tomorrow's obstacles to trade, at today and tomorrow's trade patterns, and at how to keep transforming trade into development, growth, jobs and poverty alleviation.

The Panel, he said, will be convened under his responsibility and will involve “business leaders, trade politicians, civil society and academics with deep knowledge of the multilateral trading system.” The Panel has yet to be formed though.

“I see the output of the panel as a pragmatic contribution to offer to you, the Members of the WTO, on what will be the driving forces of trade in the years to come,” Lamy told the full Membership.

Upcoming Events

- Friends of Services' Plurilateral Talks, week of February 13, 2012
- Regular Agriculture Committee, March 21-22; June 20-21, September 26-27, 2012
- Trade Facilitation Negotiating Group, April 16-18 and July 9-12, 2012
- WTO General Council, May 1-2, July 25-26, October 3-4, December 19-20, 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.

For more information or comments, please visit:

www.dairyfarmers.ca, www.chicken.ca, www.eggs.ca, www.turkeyfarmersofcanada.ca, www.cbhema.com.

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

