

Geneva Watch

An overview of the WTO negotiations on agriculture

Members Meet to Informally Review Progress in WTO Work

The WTO full Membership gathered in an informal meeting at the heads of delegation (HOD) to discuss two main issues: Indonesia's offer to host the next ministerial conference (MC9) in Bali in December 2013 and the state of the Doha Development Agenda (DDA).

DDA Issues

Members repeated their willingness to conclude issues pertaining to ease the accession of Least-Developed Countries (LDCs) to the WTO before their summer recess. The LDC sub-committee chairman reported that there was a conceptual consensus on 3 ½ of the 4 pillars set out by Ministers at the MC8 last December.

Work is also ongoing on other areas of the 8th Ministerial Conference statement, i.e. LDC Services Waiver, Small Economies, TRIPS (trade-related aspects of intellectual property rights) non-violation, the LDC transition period under the TRIPS agreement and the Trade Policy Review Mechanism, but Members are in no rush to close these before December this year.

With respect to the DDA issues, officials said the main idea now is to attempt to operationalize the principal decisions of the May 23rd OECD mini-ministerial. That primarily entails seeking to move on a cluster of issues that marry the LDC package with trade facilitation (TF).

On the latter, WTO Director General, Pascal Lamy said work continues constructively at the technical level as negotiators look to revise the TF draft agreement at their next negotiating group session in July.

Trade facilitation is believed to be beneficial to both developed and developing countries alike. Officials said there is no opposition to concluding the talks in this area of the negotiations as all Members appreciate the importance of the issue. However, the problem here is twofold:

1. Members differ on whether or not the agreement should be done on a stand-alone basis. The band of developing countries is split on the issue. ACP (African, Caribbean and Pacific countries), SVE (small, vulnerable economies) and LDCs argue that TF progress should entail parallel movement on both rules and trade capacity building as envisaged in the negotiating mandate. However, emerging economies, notably India and Brazil, argue that partnering TF with LDC issues lacks sufficient potency and is therefore inextricably imbalanced.
2. The second concern is related to matching TF commitments with the technical/financial capacity required by developing countries to implement these commitments. It is legally meaningless for ACP countries to schedule commitments in which we have no capacity to deliver, the ACP once claimed.

Lamy said, "Progress is being made, it may not be as fast as some would like but given the technical nature of the work, and the importance all Members attach to the bottom-up, inclusive method of negotiations, there are no short cuts to be had." He urged Members to also devote some attention to the other DDA-related issues.

"I do hope that today's session will bring some clarity on how to do that," Lamy said. "Since MC8, I have heard a lot of 'talk' about new ideas and approaches. Maybe it is time we see a bit of 'walk'."

MC9

The General Council chairperson, Norwegian ambassador to the WTO, Ms. Elin Østebø Johansen, said she will continue her consultations with the view to let the full Membership take a final decision on the date and venue of the MC9 at its July's General Council meeting at the latest. This will provide Indonesia with enough time to tackle the complex preparations needed for the WTO biennial conference.

The event will be held in Bali, most likely at a brand new convention center which recently hosted the Asian Summit last November.

Most delegations welcomed the initiative and provided their support even though some indicated that they needed to consult with their capital to provide a final response.

APEC Ministers Responsible for Trade & Trans-Pacific Partnership

As expected TPP trade ministers met on the sidelines of the June 4-5 Asia-Pacific Economic Cooperation (APEC) meeting held in Kazan, Russia. The nine countries took stock of the status and the remaining work left to be done in the TPP negotiations which are set to continue in San Diego from July 2–10.

As usual, ministers welcomed the solid progress made so far this year and instructed negotiators to work to close as much of the legal text of the agreement as possible during the next round. However, they were quick not to set any deadlines, only saying that “the substance of negotiators’ progress toward a comprehensive, high-standard, 21st-century agreement must drive the timing of TPP’s conclusion.”

The question of new Members was raised as per the chief negotiators’ recommendation in Dallas but there was no surprises here as trade ministers simply welcomed the interest of Canada, Japan, and Mexico in joining the TPP and discussed the progress of each country’s respective bilateral consultations with the 3 aspiring members. As such, no decisions were taken on new entries as consultations will continue following the APEC meeting.

The group repeated their agreement to welcome new members on a consensus basis and expressed their intent to remain in close contact over the coming weeks and months to ensure achievement of the objectives set out by their leaders in Honolulu last year.

Doha & Protectionism

In a standalone statement on supporting the multilateral trading system (MTS) and resisting protectionism, APEC ministers reiterated their support for the MTS and the need to keep protectionism at bay. “We recognize the value, centrality and primacy of the multilateral trading system as embodied in the WTO (...) as a key driver in fostering job creation and increasing the potential for strong, sustainable and balanced growth and development,” ministers declared.

The current state of the global economy has led to an increase in new restrictive trade measures as outlined in a report issued by the WTO, UNCTAD and OECD last week. “We express our deep concern about instances of rising protectionism around the world,” the statement said after the WTO reported that 124 new protectionism measures have been imposed by G-20 countries since last October. Nevertheless, APEC ministers reaffirmed their commitment “to extend to the end of 2015 their pledge to refrain from raising new barriers to investment or to trade in goods and services, imposing new export restrictions, or implementing WTO-inconsistent measures in all areas, including those that stimulate exports.”

“We remain committed to rollback the trade-distorting or protectionist measures introduced since the outset of the crisis and to continue to exercise maximum restraint in implementing measures that may be considered to be consistent with WTO provisions but have a significant protectionist effect and promptly rectify such measures, where implemented.”

On the DDA, Ministers said they want to focus on the best path forward and urged their Geneva-based officials to tackle TF, LDCs accessions, and other development-related issues outlined in the “Elements for Political Guidance” adopted at the WTO’s 8th Ministerial Conference (MC8) in addition to continuing exploring “new different, fresh and credible approaches” to conclude the Doha Round.

“There is much else to celebrate. It is an honor to be here as Russia’s WTO entry draws nearer. Indeed, it is a pleasure to work with all of our APEC partners to seek new horizons at the WTO – from trade facilitation, information technology agreement (ITA) expansion, services, LDC accessions, and beyond – after December’s historic turning of the page on Doha. Also, for those of us who are members of the Trans-Pacific Partnership, this meeting offers an opportunity to mark together continued progress toward an agreement,” U.S. Trade Representative Kirk said.

Upcoming Events

- G-20 Summit, June 18-19, 2012, Los Cabos, Baja California Sur (México)
- Services Plurilateral Talks, week of June 25, 2012
- TPP Round XIII, Week of July 2, 2012, December (TBC)
- Trade Facilitation Negotiating Group, July 9–12, 2012
- CETA, Week of July 15 (TBC) September, 2012
- WTO General Council, July 25-26, October 3-4, December 19-20, 2012
- APEC Leaders Summit, September 2-9, 2012, Vladivostok (Russia)
- Regular Agriculture Committee, September 20-21, November 14-15, 2012
- WTO Public Forum, September 24–26, 2012
- TPP Round XIV, September (TBC)

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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