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# Geneva Watch

An overview of the WTO negotiations on agriculture

## TPP Round XIII Set to Start in San Diego

The 13<sup>th</sup> Round of the TPP has started on July 2 in San Diego with the "Direct Stakeholders Engagement Event and Presentations" which was attended by some of the chief negotiators who will start their own meetings on July 3.

Since the Dallas Round, the TPP-9 countries are making efforts to keep stakeholders involved in order to make the negotiations more transparent. However, this remains marginal as critics continue to swirl around the talks' increased secrecy. In the past week, some U.S. congressmen wrote to the Obama administration complaining for not being informed on a timely basis about the evolution of the negotiations.

Since the beginning of the talks, only a few negotiating texts have circulated (or been leaked). The Congressmen said they would like to see the draft negotiating texts or, at the very least, proposals tabled by the U.S. Trade Representative office.

Regarding the new additions (Canada and Mexico), so far sources said neither has representatives in San Diego. There were speculations that the two might get an invitation for the next TPP round in September, but observers here remain skeptical about that, noting that the U.S. administration has yet to notify its Congress of its intent to add Canada and Mexico to the talks, which in turn will kick-start a 90-day consultations period with Congress before both countries can fully take place around the negotiating table. As it stands for now, it is unlikely that both Canada and Mexico fully enter the TPP before its 15<sup>th</sup> round scheduled for December this year.

#### What to Expect from this Round?

Observers here believe that the San Diego Round is unlikely to differ much from the last one in Dallas i.e. discussions on most of the issues at stake are expected to be tackled but it is unlikely that negotiators will record tremendous progress on the most controversial topics. Negotiators are looking to surpass their Dallas Round achievements and hope to close more than one chapter during the duration of the 10 day negotiations. Observers say some of the most controversial issues such as market access for goods may have to wait for Canada and Mexico's entry.

### WTO Members Reach Agreement on LDCs' Accession

WTO Members managed to reach an agreement on the guidelines aiming at easing the accession of least developed countries (LDC) to the WTO. After several meetings of the Sub-Committee on LDC last week, the group adopted a text on June 29<sup>th</sup> that would be submitted as recommendations "to further strengthen, streamline and operationalize the 2002 LDC accession guidelines" as instructed by Ministers at the December 2011, 8<sup>th</sup> Ministerial Conference (MC8).

Discussions mostly concerned the benchmarks of market access for goods. Most developed countries wanted this to be comprehensive while developing countries, especially LDCs, were looking for flexibilities that are consistent with their level of development and trade needs. As such, in agriculture, Members decided that acceding LDC will bind all their agricultural tariff lines at an overall average rate of 50%, one official from the WTO said after the meeting. For non-agricultural tariff products, LDC will commit to bind 95% of their industrial product tariff lines at an overall average rate of 35%.

Contrary to agriculture where the acceding LDC's commitments touched on 100% of their tariffs lines, flexibilities were given to acceding LDC Members to shield 5% of their NAMA lines from the binding coverage. However, should an acceding Member select to bind more than the proposed 95% of its tariff lines, it would secure a 10 year transition period for up to 10% of its tariff lines, the official added.



In the area of services, the Sub-Committee on LDC recommends that acceding LDC "identify their priority services sectors and sub-sectors and make reasonable offers commensurate with their individual development, financial and trade needs as well as their regulatory and institutional capacities."

These recommendations of the Sub-Committee on LDC will be submitted to the General Council for adoption at its end of July meeting.

#### **Upcoming Events**

- TPP Round XIII, Week of July 2, 2012
- <u>Trade Facilitation Negotiating Group</u>, July 9–12, 2012
- CETA, Week of July 15, 2012; 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 2012 (TBC)
- <u>TPP Round XV</u>, December 2012 (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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