

Geneva Watch

An overview of the WTO negotiations on agriculture

U.S.-Japan Joint Statement Signals Potential Flexibilities in Trans-Pacific Partnership Negotiations

Following Japan's Prime Minister, Shinzo Abe's visit to Washington, the White House released a joint U.S.-Japan statement on February 22nd recognizing the possibility of shielding some sensitive tariffs from the TPP negotiations. The talks have been long described as a "comprehensive, high-standard agreement" which will tackle all tariffs without exception. However, the joint statement released on Friday downplays the notion that all goods would be subject to negotiation.

"Recognizing that both countries have bilateral trade sensitivities, such as certain agricultural products for Japan and certain manufactured products for the United States, the two Governments confirm that, as the final outcome will be determined during the negotiations, it is not required to make a prior commitment to unilaterally eliminate all tariffs upon joining the TPP negotiations," the statement reads.

Japan has yet to make a formal request to enter the TPP. The issue is still very divisive in Tokyo. The American Automotive Policy Council (AAPC) has not hidden its desire to keep Japan out of the TPP negotiations until an accord is struck citing the country's currency manipulation and non-tariff barriers (NTB) as methods of blocking imports of automobiles into Japan.

On February 22nd, the Obama administration declared that it would continue consulting with Japan with respect to its possible entry into the TPP and address the U.S.'s concerns with respect to Japan's automotive and insurance sectors, as well as other non-tariff measures.

TPP countries are set to meet in Singapore from March 3–14 for their 16th round of negotiations.

Assessing the Contours of the "Bali Deliverables" Package

Ahead of the February 25th General Council meeting, WTO Director General Pascal Lamy convened a Trade Negotiations Committee meeting the morning of February 22nd, along with a Green Room with key WTO ambassadors the evening before, to discuss the package of issues that would be up for decision at the WTO's 9th Ministerial Conference (MC9) in Bali – the so-called "Bali Deliverables" – as well as to brainstorm the post-Bali roadmap.

According to Mr. Lamy, Members are now working under two assumptions: first, that there will be an agreement in Bali, i.e. that the MC9 will deliver "concrete outcomes" which in turn will help strengthen the multilateral trading system, and secondly, that any discussions of the post-Bali process not interfere with the work that needs to be done to get an agreement in Bali.

Regarding the Bali Deliverables, essentially three areas are targeted: 1) trade facilitation (TF), 2) agriculture and 3) a series of development/LDC (least-developed countries) issues which, according to one official, shouldn't be too problematic except for Nepal's request for both duty free quota free (DFQF) access for at least 97% of LDCs' exports to rich countries' market, and the issue of cotton which cut in subsidies should be dealt with expeditiously, specifically and ambitiously as stipulated in the 2005 Hong Kong Declaration.

In the area of agriculture, the negotiating group chairman, New Zealand's Ambassador to the WTO, John Adank, has scheduled a series of technical meetings to tackle various proposals currently on the table, a process, Mr. Lamy said, that "could progressively intensify and get into 'real negotiation mode'."

So far, the agriculture negotiating group has focused its work on the G-20's proposal on TRQ administration which officials said is advancing reasonably well. The U.S. Ambassador, Michael Punke, described the proposal as "calibrated for success over the limited timeframe". It is a proposal where technical work has been largely completed only leaving some political decisions to be resolved.

However, it has not been the same story for the G-33 proposal on public stockholding for food security purposes. The proposal, according to some delegates, is far from drawing consensus. Thus, in order to better understand the issue, Ambassador Adank last week suggested a two-stage process composed of technical consultations until early March which in turn could lead to a more “efficient discussion.”

Another area of the agriculture negotiations also targeted for MC9 is export competition. The WTO secretariat is currently compiling information on export credits, export credit guarantees and insurance programs as well as state trading enterprises for a more thorough discussion on the matter. The G-20 is currently working on an export competition proposal which the group expects to table soon.

Stocktaking by Easter & Almost Complete Package by August

It's been suggested that Members try to get some kind of a clear picture of where they stand by just after Easter, i.e. by the time of the next informal TNC meeting scheduled to take place on April 11th.

The objective is to try to get some sort of an agreement by the time the organization breaks for summer. Members may have some additional work to do between then and Bali, but there is a very strong feeling among them that they should get as much as they can done before the August break.

Members broadly seemed encouraged by the acceleration of work currently taking place, but remained a bit concerned by the gaps that are still there. A lot of technical work needs to be done in many of these areas in the weeks to come, especially in TF, they said, which could be complicated and take some time.

Mr. Lamy said focusing on the above areas doesn't mean that work in the other Doha Development Agenda (DDA) topics will be put on hold until after the MC9. It is generally considered that agreement on a select list of issues pertaining to TF, agriculture and development, will provide enough momentum to take on the rest of the DDA package and, by the same token, enhance the organization's credibility.

Upcoming Events

- General Council, February 25-26, May 1-2, July 24-25, Oct. 8-9, Nov. 5-6, 2013
- TPP Round XVI, March 3–14, 2013 (Singapore)
- Regular Agriculture Committee, March 26, September 4, November 12, 2013
- Informal TNC (Bali Stocktaking), April 11, 2013
- APEC Ministers Responsible for Trade, April 20-21, 2013
- OECD Annual Forum, May 27–31, 2013 (Paris)
- Deadline for Bali Deliverables, August, 2013
- APEC Leaders Summit, October 1–8, 2013
- WTO 9th Ministerial Conference (MC9) December 3–6, 2013, Bali (Indonesia)

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



Dairy Farmers
of Canada
Les Producteurs laitiers
du Canada



Chicken Farmers
of Canada
Les Producteurs de
poulet du Canada



EGG FARMERS
OF CANADA
Dedicated to Quality

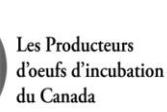
LES PRODUCTEURS
D'ŒUFS DU CANADA
Dédies à la qualité



TURKEY FARMERS
OF CANADA
LES ÉLEVEMENTS DE DINON
DU CANADA



Canadian
Hatching Egg
Producers



Les Producteurs
d'oeufs d'incubation
du Canada