

Editorial: Big Shoes to Fill

The news of Ambassador Falconer's imminent departure from Geneva has taken members by surprise. The much-respected chair of the agriculture negotiations will leave behind some big shoes to fill as his successor pushes the Doha Round towards its conclusion. That said, according to sources, the current Rules' chair, Uruguay's Ambassador Guillermo Valles Galmes, has declared his interest in becoming the next Agriculture negotiations chair. However Galmes may have a long way to go to secure delegates' support since many have criticized him for mishandling the controversial issue of zeroing by including it in the Rules text. Furthermore, if Ambassador Valles becomes the new chair, this could "turn the table" and place the agriculture negotiations on a different base. For instance, one could expect a different appreciation of the special safeguard mechanism discussion as Uruguay and Paraguay have strongly opposed the G-33's position on the issue. If indeed past is prologue, maybe the safest way to proceed would be to appoint yet another New Zealand diplomat.

Falconer's Departure

In a statement released on March 18, New Zealand Trade Minister Tim Groser announced that the WTO's agriculture negotiations chairman, Crawford Falconer, will be returning to New Zealand in April to take on the role of Deputy Secretary at the Ministry of Foreign Affairs and Trade (MFAT). Falconer had been named New Zealand's Special Envoy to enable him to continue chairing the Doha round negotiating group on agriculture following the end of his term as New-Zealand Ambassador to the WTO last December. Since then, the chair has managed to conduct only low key "carousel" consultations and focus only on process while waiting for the new US Trade Representative and his team to become prepared to take on more substantive issues.

Some delegates see this turn of events as delivering a blow to the negotiations as the chair's contribution was widely recognized as crucial. However, EU Trade Commissioner Catherine Ashton has rebuffed the potential negative impact the vacancy may create by stressing that "no one individual, despite the incredible work they've done, is determinant of whether we move forward or not." That said, sources in Geneva claim that Falconer's absence may provide members who are unhappy with the current proposal on the table with the opportunity to re-open some of the issues which may currently be considered "settled".

The chair of the WTO General Council has already scheduled consultations regarding the appointment of a successor. According to members, two candidates appear to be prioritized: the current chair of the Rules negotiating group, Uruguay's Ambassador Guillermo Valles Galmes, and Falconer's replacement as New Zealand's Permanent Representative in Geneva, Ambassador David Walker.

EU Pushes for Rapid US Involvement in Doha

While on visit in Washington, EU Trade Commissioner Catherine Ashton called on the US to quickly become involved in restarting the Doha negotiations. "The EU is fully committed to concluding Doha. But we cannot do it alone, and it certainly cannot be done without the United States," she said. Ashton met with Ron Kirk, who was confirmed as U.S. Trade Representative by the US Senate on March 18. They issued a joint statement calling for the "importance of achieving an ambitious and balanced outcome to the WTO Doha Development Agenda as soon as possible."

Ashton later admitted that she would like to see modalities agreed upon before October 2009 when her term as EU Trade Commissioner will come to an end. Kirk adopted the same cautious approach President Obama used when he met with Brazilian President Lula on March 14. At that time, both leaders agreed that “it won’t be easy” to finalize the Doha Round deals in the midst of an economic crisis, but stated that they remained committed to find ways to “start closing the gap” on the Doha Round

Meanwhile British Prime Minister Gordon Brown has invited WTO’s Director General Pascal Lamy to participate to the upcoming G-20 Heads of State¹ meeting in London on April 2. “We are going to propose more rigorous monitoring mechanisms for avoiding tariff and non-tariff barriers with a clear remit for the WTO to monitor and scrutinize more closely and report on protectionist actions taken by countries in breach of their commitments,” Brown said of the trade aspect of the agenda. His declaration coincided with the release of a World Bank study that shows that 17 out of the 20 countries involved in the G-20 meeting have put in place protectionist measures, breaching the pledge they made at their first gathering in Washington on November 15, 2008; only South Africa, Japan and Saudi Arabia have stuck to their promise.

Some trade observers predict that the rejection of protectionism will be the only significant issue discussed by the G-20 leaders because of its potential to impact the recession. A pledge to move the Doha Round forward this year is unlikely, given that – as the 2008 Nobel Prize winning economist Paul Krugman put it – the Doha round may amount to nothing more than “face saving minor measures” that will be unlikely to yield any real results for the global economy in light of the current downturn.

¹ Argentina, Australia, Brazil, Britain, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, the United States and the European Union.

Upcoming Events

- General Council, May 27-28, July 28-29, Oct. 13-14, Dec. 17-18, 2009
- G-20’s Second Meeting, April 2, 2009 (London, England)
- Official Appointment of the WTO’s DG, May 31, 2009
- India General Elections, May 2009 (at the latest)
- EU Elections, June 7, 2009
- OECD Ministerial Meeting, June 24-25, 2009 (Paris, France)
- G-8 Summit, July 8-10, 2009 (La Maddalena, Italy)
- APEC Meeting of Ministers Responsible for Trade, July 21-22, 2009 (Singapore)
- WTO Public Forum, Sept 28 – 30, 2009

Geneva Watch is published by Dairy Farmers of Canada, Chicken Farmers of Canada, Canadian Egg Marketing Agency, Canadian Turkey Marketing Agency 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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