

## WTO Shifting to a Real Proposal-Driven Process this Fall

World Trade Organization (WTO) members have pledged to "dive into a real proposal-driven process" when they return from their traditional summer break this September. This came about at the July 27th meeting of the General Council, the traditional last meeting before the August break which closed out a rather calm first half of 2016.

"We need to change the pace of our engagement – if we want to make progress," WTO Director General, Roberto Azevêdo told the full Membership on July 27<sup>th</sup> adding that he has been "very pleased" that Members have submitted a number of proposals, particularly on Doha's (the Doha Development Agenda or DDA) remaining issues.

In effect, the past weeks have seen a number of papers being tabled on a wide range of issues, including domestic support, market access, export restrictions, and cotton, demonstrating that Members are following through on their commitment to pursue the negotiations, Azevêdo said.

The cut in domestic support has been at the center of the discussion in the agriculture negotiating group. Some Members like Argentina, Australia, Brazil, Canada, and the EU are pushing for a cap in overall trade-distorting support, as well as limiting the support by product. The G-10 group led by Japan and Switzerland said it would prefer undertaking a reduction in amber box and *de minimis* instead, or explore a new parameter based on export performances.

Meanwhile, others such as Bolivia, China, India, the Philippines, and Turkey reiterated the need for the discussion on domestic support to be undertaken on the basis of the fourth revised draft modalities (Rev4), which remains the most recent version of the DDA modalities.

Members also briefly discussed a paper tabled by Paraguay on market access which suggests addressing the issue of tariff escalation by applying steeper cuts on finished products. The Paraguayan proposal also suggests narrowing the gap between bound and applied tariffs, and address tariff peaks. Officials said the Paraguayan ideas on market access were supported by many delegations.

"There are signs that we are gradually moving towards a more proposals-driven process. This is exactly what is needed now," Azevêdo told the full Membership. However, the Director General warned that Members still need to be "pragmatic, realistic, and creative" if they want the next ministerial conference to be as successful as MC9 in Bali and MC10 in Nairobi, because after both conferences, Members then "adhered to these principles."

"There is a lot to be positive about. But, if we really do want to deliver again, then we will need to accelerate our work significantly in the autumn," Azevêdo declared.

## **MC11**

The General Council was also the occasion for Argentina and Uruguay to submit their respective candidatures to host the 11<sup>th</sup> WTO Ministerial Conference (MC11), which is due to be held at the end of next year.

Azevêdo says the applications demonstrate the confidence Members have in the WTO after the successes reached at the last two Ministerial Conferences.

"It underlines a new level of expectation about what we can achieve," he said.

Argentina was the first to submit its candidacy, which was unofficially floated during the OECD Annual Forum early June. The window to submit new

applications will remain open until the end of August, the Chair of the General Council, and Norwegian Ambassador to the WTO, Harald Neple, stressed.

All applicants will be asked to present their proposals and plans by the deadline, and then come back to the next General Council in October, at which time Members hope to reach a consensus on where the MC11 will be held.

Note: Geneva Watch will return in September after the WTO summer break.

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.

 $For more information or comments, please visit: \underline{dairy farmers.ca}, \underline{chicken farmers.ca}, \underline{egg farmers.ca}, \underline{turkey farmers of canada.ca}, \underline{chep-poic.ca}$ 

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









