



Geneva WATCH

An overview of the bilateral, plurilateral and multilateral trade negotiations

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Brainstorming the MC11 Agenda

The decision on the location for next year's WTO Ministerial Conference (MC11) was taken on Monday, October 3rd when the full Membership gathered at the General Council meeting.

There, Members accepted Argentina's offer to host the MC11 in Buenos Aires in early December 2017 after Uruguay, which also floated its candidacy in July, withdrew its offer. The consensus decision gives enough time to Argentina to prepare for the conference, while allowing Members to start brainstorming on the agenda.

The decision will put Members "on an excellent path to follow up on the WTO's earlier successful ministerial conferences in Bali in 2013 (MC9) and Nairobi (MC10) ... it will also focus minds on identifying deliverables" Azevêdo stressed on October 3rd.

The director general reiterated his call for Members to focus their minds on how those outcomes can be achieved.

"We need to continue delivering trade reforms that generate more inclusive growth and development gains. It is therefore important that we deepen our discussions about what Members want to achieve between now and the 11th Ministerial Conference," he told the informal heads of delegation on September 30th. "I think we have made some progress in the first half of the year – and we need to keep up the momentum in all areas, including the long-standing issues."

One of the most talked about issues that Members are keen to put on the MC11 agenda is the reduction of trade-distorting domestic support.

Members have tabled several ideas on how this could be done during the first half of this year, but since then, the discussion has evolved a bit. This evolution has been most visible in the consultations which the U.S. is currently conducting on China's rice, wheat, and corn subsidies which may lead to a formal panel, even though U.S. sources say the Americans have not yet reached that stage.

The consultations give the two parties an opportunity to discuss the matter and to find a satisfactory solution without proceeding further with litigation. A WTO official explained that if after two months (60 days) of discussion, the two parties fail to resolve their differences the U.S. may request adjudication by a panel.

Many delegates, meanwhile, believe the U.S.-China consultation could have a positive repercussion on the negotiations, by pushing China and other emerging countries such as India to agree to further reduce their trade-distorting support levels. China has claimed that it already made an effort in that regard when it joined the WTO in 2001 and looks to maintain its developing country status (and the treatment that comes with it).

"We are very early in the process of identifying the next set of deliverables" said one delegate. However, some have already taken a step forward in trying to help craft the next set of elements for the MC11. This is the case of the unlikely partnership between Brazil and the EU, which has resulted in a joint proposal to eliminate export subsidies at the MC10. The two Members are again collaborating with the view of outlining the contours of a proposed accord on trade-distorting domestic support.

“I think the immediate priority now should be to deepen conversations between Members to scope out the issues ahead of the 11th Ministerial,” Azevêdo told the full Membership, adding that Members “should especially look for those balancing elements that take into account members’ different interests and positions – elements that respond to the needs of developed, developing, and least-developed members.”

This very last point may well be the focus of a Mini-Ministerial meeting scheduled to take place in Oslo later this month, on October 21-22, according to some sources. About 20 ministers from key WTO countries and group coordinators are expected to attend the event, which will feature small group sessions aiming to identify which topics might be addressed at the Buenos Aires Ministerial Conference.

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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