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Geneva Watch

An overview of the WTO negotiations on agriculture

Editorial: No Endgame Yet

The Delhi ministerial gathering of September 3-4 was not expected to end with a breakthrough to unlock the negotiations' gridlock, but instead to indicate whether Members are indeed ready to pick up where they left off and move the talks to a final conclusion sometime in 2010. This first test revealed that severe differences still remain among Members as to how to move the negotiations forward; right from whether to start with the December 2008 draft modalities as the basis for the talks or not. The problem is simple: as it stands for the moment, the protagonists i.e. emerging developing countries (China, India, Brazil and South Africa) are on one side and the U.S., on the other, are engaged in a staring contest, waiting for each other to show its cards first, which at this juncture each party refused to do. If the Delhi gathering was to serve as a preview to what will come out of the G-20 Summit in Pittsburgh on Sept 24-25, then one can already anticipate yet another weak call to intensify discussions in order to conclude the Doha Development Agenda sometime in 2010.

Delhi Mini-Ministerial

India's new Commerce Minister, Anand Sharma, hosted a two-day ministerial meeting on September 3-4 with the aim to re-energise the Doha talks. About 35 top trade officials gathered in Delhi to brainstorm on a new road map essential to bringing the round to a conclusion in 2010 as called for by G-8 + 5 leaders last July in L'Aquila, Italy. According to Sharma, ministers agreed unanimously for the need to expeditiously conclude the round, particularly in light of the current global economic crisis.

In order to meet that objective, ministers urged the chair of each negotiating body, particularly agriculture David Walker and NAMA Luzius Wasescha, to produce an "issue-based workplan" aimed at intensifying Members' involvement in the year to come but without specifying any particular timeline. However, it was reported that Members disagreed on what should constitute the basis for re-starting discussions. Brazil's Foreign Minister, Celso Amorim, and China's Minister of Commerce, Chen Deming, cautioned about the potential danger of re-opening some issues which they considered already settled.

"The negotiations must be based on the December 2008 draft modalities, which outline the possible agreements after seven years of hard work. A major change of goalposts will not work at this point", warned Amorim, in an apparent jab at the U.S. which many fear are not in a position to compromise, having not shown enough eagerness to rush into intensive negotiations at this point. In effect, it is a widely shared view that the U.S. involvement in Doha will only increase once the Obama administration feels that it has sufficiently dealt with its domestic economic crisis and that there is value for its industries to pursue a new global trade agreement. Neither of which are on the verge of being realised soon as the administration is in the midst of a tough battle on health care reform and the overall consensus among U.S. industries was that the December 2008 text doesn't work for them.

WTO Director General, Pascal Lamy declared that the Delhi meeting could be the "real beginning of the end game" for the negotiations, which according to the Peterson Institute for International Economics – a Washington based think-thank – could bolster the global economy by 300 to 700 billions dollars. However, this feeling was not shared even by the host country. "We have a long way to travel before we can safely say we are in the end game," said Sharma.



Punke and Siddiqui

One momentary glimpse of hope provided to Members on U.S. interests in advancing the negotiations was the announcement of the new U.S. ambassador to the WTO to replace Peter Allgeier. President Obama announced on September 3 that Michael Punke, a former senior advisor at the USTR office during the Clinton administration, will fill the vacancy left by Allgeier. His posting remains to be confirmed by the U.S. Senate. In related news, sources also reported that the USTR has also selected a chief agriculture negotiator, Isi Siddiqui, currently serving as vice-president of science and regulatory affairs at CropLife America.

Upcoming Events

- Agriculture Consultations week of September 14, 2009
- <u>Technical workshop schedules</u>, week of September 21, 2009
- G-20 Summit, September 24-25 (Pittsburgh, USA)
- WTO Public Forum, Sept 28–30, 2009
- General Council, Oct. 13-14, Dec. 17-18, 2009
- WTO Ministerial Conference, November 30–December 2, 2009

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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