

Editorial: Frustrations All Over

It was the sort of week where nothing really goes well for negotiators. The gathering of senior officials in Geneva, this week, was touted as an opportunity to advance the work programme put forward by Members and endorsed by G-20 leaders in Pittsburgh. Instead, the focus was on Members' dissatisfaction with regard to the way the talks have been handled so far. The source of this irritation came from the new group of 14 (U.S., EU, China, India, Brazil, Australia, New Zealand, Mexico, Canada, Japan, Malaysia, Indonesia, South Africa and Egypt), which emerged after the Delhi Mini-Ministerial and has since undertaken rather opaque consultations, leaving some to question the so-called transparency process. With the Ministerial Conference fast approaching, one can expect the Director General, Pascal Lamy, to make sure he hears a different sound bite at the end of the next senior officials gathering (November 23-27).

General Council

For the first time since Pittsburgh, where G-20 leaders threw their *weak* support behind concluding the Doha Development Agenda (DDA), WTO DG, Pascal Lamy, finally acknowledged that it might be difficult to conclude the DDA by next year if Members don't accelerate the pace of their work on the remaining sticking issues. "The current speed with which we are advancing is too slow to arrive at modalities latest by early next year as we need to do to be in a position to wrap this round next year," Lamy said, warning that "it will only be done with serious acceleration."

Along that theme, at the November 20th General Council meeting, Lamy told Members that the time has come to roll up their sleeves and get down to business. "We are now one month into the work programme we devised collectively to be able to reach a successful conclusion by 2010. I think it would be fair to say that we have seen serious engagement by Members on templates and scheduling in agriculture as well as NAMA," Lamy told the General Council.

But, he continued "we need to see real negotiations emerge, not only informal consultations and discussions, but real exchanges among Members. We need to do so in a manner which is inclusive and leaves no interest behind. We need to ensure greater transparency over bilateral discussions so that every Member feels it is part of an overall process."

This is what sparked the largest Members' reaction. The majority (including G-10 member Norway, Latin American leader Costa Rica and African Group coordinator Egypt) complained that they do not have a clue of what's happening in the bilateral and other small group meetings and expressed frustration with respect to the process in general.

These countries were making reference to the G-14 meeting which gathered to discuss services, industrial products – NAMA (sectorals and non-tariff barriers primarily) and agriculture. In addition, Lamy started a small group meeting of his own with several key countries (EU, U.S., India, Brazil, China, Canada, Japan, New Zealand, Indonesia, Costa Rica, Uruguay and Australia) to discuss the remaining sticking points in the agriculture negotiations, NAMA and services.

Because some voiced their concern with this parallel process, Lamy decided to convene a Green Room meeting the afternoon of October 22 and an informal trade negotiations committee (TNC) meeting the morning of October 23 to debrief the full membership on the developments in the DDA negotiations and ensure transparency and inclusiveness.

“A Complete Waste of Time”

That is how some described the week capped by a TNC meeting chaired by Pascal Lamy the morning of October 23. The previous day's Green Room was no exception. Opinions after the gathering were unanimous: the week was an almost complete waste of time with some going so far as to blame the U.S. for actually spelling out positions that do not help move the process forward.

Brazil in particular has expressed concerns with the U.S.' wish to allow an extra 2% tariff lines to all Members in the sensitive products (SeP) should they wish to pay for it. The U.S., for its part, provided a short readout on the bilateral meeting with emerging developing countries such as Brazil, India and South Africa without disclosing details of their talks.

All this has sparked frustration with respect to the lack of transparency in the process, as expressed Barbados, which complained that although it was understood that consultations should take place under a variable geometry (bilateral, multilateral, and small groups), the lack of transparency from the G-14 in particular was troubling.

Whether you're talking about the EU-led G-14 group, the U.S. bilaterals or the DG's small group meetings this week, none of those meetings has advanced the technical issues under negotiation. One official even indicated that some countries are starting to backtrack a little. One example is Brazil, which said it has been asked to do more in areas such as agriculture, NAMA and services while its own demands in agriculture have not been taken into account.

Switzerland said this process this week was extremely unsatisfactory. Members need to do better in the coming weeks as the past week's sessions produced no progress on the real sticking points like sectorals, SeP and special safeguard mechanisms.

Next Steps

The DG is now urging Members to move to a text-based discussion, taking into consideration the December 2008 draft modalities texts. This is being done to force Members, and particularly the U.S., to clarify their positions with respect to what they are seeking from emerging developing countries.

This has also changed the focus of the next senior officials meeting scheduled to take place a week before the Ministerial Conference. The next agriculture consultations, which is likely to focus on developing countries market access (special products, SSM, tropical products and preferences erosion), is unlikely to be as important as the November 23-27 senior officials meeting where the text-based negotiations is to take place. That week, Lamy wants to “register a qualitative change in the negotiating dynamics and progress on substance” that he can later report to ministers at the 7th Ministerial Conference (MC-7). As he puts it, this “has to be a negotiating session, NOT a discussion session.”

MC-7

This week's General Council provided an update on the upcoming Ministerial Conference and how it will be organised. The General Council Chair, Ambassador Mario Matus, said the DDA will be on the agenda of the November 30-December 2 gathering but the meeting “will not take decisions” on it. “It is our hope that ministers will come to Geneva to address and interact on a few key themes, regarding the WTO and the multilateral trading system, the ‘big picture’ so to say,” Lamy told the General Council.

However he was quick to add that “this does not mean that ministers' statements, or indeed their discussions cannot address the issue of the Round or indeed specific negotiations. On the contrary, it would seem rather odd if the elephant in the room remained nameless. This is why discussion of the Doha Round is specifically foreseen in themes for the Working Sessions. And in this specific context, I think that the 7th Ministerial Conference represents an important platform for ministers to send a strong signal of commitment to concluding the Doha Development Round.”

Two main themes will be featured:

1. Review of the WTO activity, including the DDA
2. WTO's contribution to global economic recovery & development

It is expected that the date and theme of the next ministerial (in 2011) will be announced. Since no one has come forward to host the gathering, the default city will be Geneva, unless an agreement on the DDA occurs before that date.

Upcoming Events

- FAO CSO Forum, Nov. 12-13, 2009 (Rome)
- FAO World Food Summit, Nov. 16-18, 2009 (Rome)
- Agriculture Consultations week Nov. 16 and Dec. 7, 2009
- Regular Agriculture Committee, Nov. 19, 2009; March 11-2, June 10-11, Sept. 16-17, Nov. 18-19, 2010
- Senior Officials Meeting, week of Nov 23-27, Dec 14-16
- 7th WTO Ministerial Conference, November 30–December 2, 2009
- General Council, Dec. 17-18, 2009

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