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Geneva Watch

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An overview of the WTO negotiations on agriculture

Editorial: Resurrecting "Doha Light"

Amid a rather quiet week of the negotiations, a declaration made by India's Commerce Secretary, Rahul Khullar, managed to raise a few eyebrows. Essentially, the senior Indian official believes that in order to conclude the negotiations, Members should be ready to consider a "Doha Light" option. In the past, most countries but especially developing ones, have described this as a non-starter. Under the current circumstances, a "Doha Light" could be viewed as an attractive way to meet the 2010 deadline, as most Members recognise that Doha's mandate is too ambitious. However, changing the underlining mandate would automatically mean two things: 1) the end of the draft 2008 modalities as the basis of future talks and 2) a stiff discussion on what exactly would be considered under "Doha Light". In any event, this idea would likely require reopening some of the subjects already considered settled in order to balance the new Doha agenda resulting in a catch 22 that is unlikely to speed up the process.

Pragmatism or provocation? Only Mr. Khullar knows the answer.

Informal African Trade Ministers Meeting

The past week in Geneva was dominated by the so-called "Geneva Week" where Members which do not have a permanent mission in Geneva get to receive a briefing on all areas under negotiation at the WTO headquarters. Negotiations are usually limited or non-existent at this time.

Meanwhile, the soon-to-be-awarded "Globalist of the Year" by the Canadian International Council, Director General, Pascal Lamy, spent the past week in Cairo attending an informal meeting of African trade ministers. As usual, Lamy pushed for continued support for a quick completion of the Doha Development Agenda (DDA), warning that the 2010 deadline could not be met if the talks maintain the current slow pace.

Generally speaking, Lamy was supported in his quest by the whole African Group, sources in Cairo said. Most of them urged key developed countries to demonstrate leadership by allowing the talks to move forward. However, some African Members requested that an "early harvest" be made in advance of the whole DDA conclusion. This early harvest could take the form of an advanced commitment to slash cotton subsidies.

The December 2008 draft modalities text suggests that the U.S. will cut its cotton subsidies by 82%. Although some officials seem to believe that the U.S. will be aiming to cut its cotton subsidies by somewhere between 70 and 80%, the U.S. Trade Representative's office has been tight-lipped on when it will be ready to table a counterproposal.

This, among other questions, will likely be discussed at the next agriculture consultations scheduled to take place the week of November 16 and is expected to cover developing countries' unresolved issues i.e. special safeguard mechanism (SSM), special products (SPs), tropical products and preference erosion.

NAMA

Meanwhile, the week of November 2 will be devoted to non-agricultural market access (NAMA). Members will have the opportunity to report on work undertaken during the last few weeks in various configuration including the new G-14 group of senior officials (U.S., EU, China, India, Brazil, Australia, New Zealand, Mexico, Canada, Japan, Malaysia, Indonesia, South Africa and Egypt) which failed to achieve progress in one of the most critical areas of the talks i.e. sectorals.

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Nevertheless, chairman Luzius Wasescha plans to focus is effort on the issue of Non-Tariff Barriers (NTBs) in particular the framework for Industry-specific NTBs (as promoted by India and the EU); and the decision on the elimination of non-tariff barriers imposed as unilateral trade measures (submitted by Cuba).

Once discussions on these issues are completed, the remaining time will be devoted to bilateral and plurilateral meetings on various topics i.e. Preference Erosion, Sectorals, Case-specific flexibilities – Argentina, Venezuela and South Africa – and Scheduling.

On Sectorals, for instance, Mr. Wasescha plans to gather Members' views as to whether there is any promising outcome possible regarding the 14 sectors under negotiations. The idea is to test delegates as to whether there is a willingness to consider an alternative to unlock the blockage in the Sectorals discussion by exploring negotiations on small sub-sectors or sub-sets of tariff lines. Emerging developing countries such as Brazil and China have previously dismissed the idea.

Upcoming Events

- <u>FAO CSO Forum</u>, Nov. 12-13, 2009 (Rome)
- <u>FAO World Food Summit</u>, Nov. 16-18, 2009 (Rome)
- Agriculture Consultations week Nov. 16 and Dec. 7, 2009
- <u>Regular Agriculture Committee</u>, 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
- <u>7th WTO Ministerial Conference</u>, November 30–December 2, 2009
- <u>General Council</u>, December 17-18, 2009

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