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Geneva Watch

An overview of the WTO negotiations on agriculture

Editorial: Sideline Distraction

It is clear that Members will finish 2009 without making significant progress on the Doha Development Agenda (DDA) upon which completion next year remains "an open question" as the Director General appropriately put it while addressing a conference in Seoul (Republic of Korea) on December 7. Members in Geneva have been caught up in what has been already dubbed a distraction from progressing on technical consultations the past week. Indeed, Mr. Lamy's decision to become a trustee of Thomson Reuters has been negatively received by virtually all Members, whose main critic has been that it creates a conflict of interest with his WTO responsibilities and thus distract him from fully focusing on advancing the DDA. Lamy will have the opportunity to address this matter with the full Membership at the last General Council of the year which – if not distracted by this sideline matter – is also expected to outline next year's DDA work programme.

Agriculture and NAMA Week

During this past week, delegates continued to look at technicalities pertaining to the scheduling phase. According to one official, the technical discussion on templates remains lodged in the transition from step 1 (i.e. identifying what and how the data should be presented) to step 2 (designing the forms for spelling out commitments).

This week also saw Members discuss tariff simplification where the EU showed how it would simplify its tariff lines for certain products containing milk fats and proteins, sugar and starch such as biscuits and cakes. The EU intention is to reduce its lines from 27,720 lines to less than 300, according to officials. The Community is also planning to simplify their tariffs in order to present them as either ad valorem (in percentage terms) or specific (in \$/kg).

NAMA

In NAMA, the week was devoted to Non-Tariff Barriers (NTBs), and most of the discussion was concentrated on a few of them. One such item which occupied most of this week's discussion was the "horizontal mechanism" presented by the chair as a mechanism for dispute prevention rather than dispute resolution. The U.S., who has been critical of the mechanism, is now said to be ready to explore it, given the amount of support received by the proposal. However, according to one official, the U.S. is sceptical about the utility of the mechanism and continues to push for its "committee-first" proposal which would require Members to first address an issue in the Committee before taking it to the mechanism. Other Members expressed concerns with the scope of the horizontal mechanism, its relation with the WTO wide-ranging dispute settlement mechanism, the treatment of confidential data, and the fact that it would touch areas not strictly related to NAMA, like sanitary and phytosanitary measures (SPS) for instance.

There is hope that the next NAMA week meeting will allow things to move forward so as to increase the prospect of having documents soon that can be useful for a text-based negotiation on NTBs early next year. Meanwhile, the most controversial issue of the moment – sectorals – was not discussed as the chair, Luzius Wasescha, admitted that progress on this matter was up to those involved in the bilateral talks i.e. the U.S., China, Brazil and India primarily. As it stands for now, Wasescha said he has not heard anything from the parties involved in that discussion. The chair is planning to address that issue with senior officials during the week of December 14th.

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Next Steps

At the end of a week, both Ambassadors Walker and Wasescha unveiled their plans for next year. Walker is planning on expanding the monthly week of meetings to fortnights in early February and March 2010. In the meantime, Members will have the opportunity to continue their work on templates – particularly as it pertain to domestic support and market access – in late January. Wasescha, for his part, also plans to pursue his series of NAMA week after the traditional Davos minimisterial, with the first meeting expected to be convened early February 2010.

Upcoming Events

- <u>Senior Officials Meeting (SOM)</u>, December 14-16, 2009
- General Council, December 17-18, 2009
- <u>World Economic Forum</u>, January 27-31, 2010
- Agriculture and NAMA consultations, February 2010
- Regular Agriculture Committee, March 11-2, June 10-11, September 16-17, November 18-19, 2010
- <u>G-20 Summit, June 2010</u>

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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