

Editorial: DDA in 2010: Do or Die?

The work in this New Year has not even started and already questions loom as to whether WTO Members can close modalities on the Doha Development Agenda (DDA) in 2010. Much like last year, the negotiations look once again to be imprisoned by the economic crisis which has frozen all progress in Geneva. The WTO's Director General, Pascal Lamy, like many other economists, has warned against hopes of a resurging global economy in 2010 citing the potential negative effects created by the influx of money used to rescue the global financial market, which begs the question: is 2010 doomed? The pundits will point out that several factors – and most notably the unemployment rates – need to show positive signs of recovery before serious discussions on global trade can begin again. This may take some time, as the outlook in the United States doesn't show promising signs of quick job market resurgence. The most optimistic observers will concur with soon-to-be-confirmed EU's Trade Commissioner, Karel de Gucht, who declared that he is "confident" that Doha will be concluded some day. The question is "when?"

No Quick Re-Start Anticipated

Given the rather short period of time devoted to consultations before the March stock-taking meeting kicks in, one would expect Members to quickly recommence technical discussions to close the remaining gaps before the end of March. The agriculture consultations the week of January 18 (Jan 21-22 and potentially the 25th) will focus on the program of work to be tackled between January and March 2010. It is unlikely that Members will engage in intensive talks on the remaining critical modalities issues before the first two weeks of February.

This year's mini-ministerial, to be held on the margins of the World Economic Forum in Davos, is not expected to have significant impact beyond confirming the new work programme that was already agreed upon at the December 18, 2009 General Council meeting. Sources reported that the U.S. Trade Representative, Ron Kirk, will likely skip the meeting which further reduces the importance of this year's gathering.

Furthermore, for the March stock-taking meeting to be successful, key countries, particularly the U.S., the EU, Brazil, India and China will have to step up to the plate to ease the process and generate momentum. However that will highly depend on each country's domestic/international issues.

The U.S. is unlikely to confirm the nominations of Micheal Punke as U.S. ambassador to the WTO and Islam Siddiqui as its chief agriculture negotiator before the end of January, if not later sources say. Both nominees are critical for the U.S. to fully engage in the technical consultations and advance discussion in Geneva. With no major domestic pressure to advance the trade agenda, U.S. insiders believe that the status-quo will remain up until President Obama signs the health care reform bill. In addition, U.S.-China trade wars (tires, auto parts, chicken and sectorals) and the bleak outlook of the U.S. job market do not help Doha's case, observers said.

Developing countries for their part continue to blame the U.S. for the talks' stalemate. China, Brazil and India have all refused to make additional concessions in the non-agricultural negotiations. "Nobody is willing to give more to any country at this time" India chief negotiator, D.K. Mittal told Reuters this week. Brazil which is entering an election year (presidential) warned that it would not be in position to negotiate past the first quarter of 2010. For India, that deadline is June 2010 if Members want to wrap-up Doha by the end of this year.

If March stock-taking meeting ends up being a low-key affair and with various elections looming in several key countries (Brazil, Canada, Japan and the U.S. mid-term), trade observers believe the real push to conclude Doha will likely come toward the second part of 2010 – following the U.S. mid term elections – and de facto pushing Doha's "real" deadline to sometime in 2011.

Upcoming Events

- World Economic Forum, January 27-31, 2010
- Agriculture Consultation, February 1-12, March 1-12, 2010
- NAMA consultations, February 1-5, 2010, March 15-19, 2010
- Senior Officials Meeting (SOM), February 15-19, 2010 March 22-26, 2010
- Regular Agriculture Committee, March 11-2, June 10-11, September 16-17, November 18-19, 2010
- Stock-Taking Meeting, Last week of March, 2010
- G-20 Summit, June 2010

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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