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# Geneva Watch

An overview of the WTO negotiations on agriculture

## **Editorial: Toward a Delayed Stock-Taking Meeting**

Given the poor progress achieved so far in the technical consultations on the remaining sticking modalities issues, most Members are becoming more and more convinced that the March stocktaking meeting should take place at the senior officials' level rather than the ministers' level should it have to be done in March. Better yet, some, including the new EU Trade Commissioner, Karel De Gucht, believe the meeting should simply be postponed to a later stage. One such timeframe to hold this could be June, before or on the sidelines of the G-20 heads of state summit in Canada. This will not only provide Members with additional time to close the gap on the technical matters but more importantly, it may provide a greater political impact on the sluggish negotiations should the G-20 decides to vigorously renew its pledge to see Doha concluded this year.

## First Agriculture Fortnight

Discussions throughout the first of two fortnights scheduled before the March stock-taking meeting were mostly dominated by templates involving only a few Members: Australia, New Zealand, the US, Uruguay, Norway, Argentina and Canada. The rest of the membership was largely content to watch, listen and learn. Walker, meanwhile, pursued his small group consultations on the remaining modalities' sticking points. He told an informal meeting of the full membership on February 12 that he had seen signs of progress but did note that additional work is still needed in all areas.

#### **Consultations on Modalities**

Special safeguard mechanism (SSM): The G-33 sparked discussion on SSM by releasing 3 technical papers as a follow-up to their 14 pager on the same issue tabled on February 5. These new papers on price and volume cross-check conditionalities, seasonality and price-based SSM have formed the main focus of the discussion in the small group consultations. One official from exporting countries claimed that the G-33 is taking the SSM discussion back to pre-December 2008 draft modalities text. Exporters are expected to table scenarios of their own to counterbalance the G-33 views, sources said.

Tariff Rate Quota (TRQ) Creation: This came down to whether sensitive products can only be those tariff lines with TRQs or whether new tariff quotas can be created. The discussion was mainly a re-statement of position from the G-20, which is firmly opposed to the creation of new TRQs. That said, if it has to be done, the G-20 suggests that new TRQs be set to a maximum of 1% of tariff lines within the numerical limits accepted for sensitive products. The group however demands that a list of potential products for which new TRQs will be created be submitted before further decision can be arrested on this issue.

Tropical Products & Preferences Erosion (TPPE): Walker said the consultations focused on a draft text supplied by a group of countries involved in the banana deal with the EU. As it was expected, India did flag its opposition to the TPPE deal linked to banana. India had previously expressed concerns with respect to this during the December 2009 General Council meeting, partly because it has not been included in the banana discussions but also because of India's particular interest in exporting sugar into developed countries' market. With its rising export in various tropical products such as tea, coffee and various tropical fruits, India has several good reasons to oppose the deal. It was reported that another giant player – China – also agreed that additional discussions should take place on this issue.

According to officials each of the above meetings during the fortnight lasted 20 to 45 minutes. Brazil meanwhile asked for consultations on cotton, a political matter which mainly targets the U.S. and its domestic support. Walker plans to organize this along with other remaining issues for the second week of the March 1-12 fortnight.



### **New EU Trade Commissioner - Karel De Gucht**

For his first trip as new EU Trade Commissioner, Karel De Gucht flew to Geneva on Februray 12 to meet with WTO Director General Pascal Lamy. De Gucht claimed that the EU stands ready to conclude the DDA – "I will do my upmost to ensure a successful and satisfactory agreement is reached for all parties."

The EU Commissioner is convinced that the upcoming stock-taking meeting should take place at the ministerial level to inject political impetus to the talks. "I don't think that message can come from officials (...) My personal view is that stock-taking makes sense when it is at the political level, because what we need is a political message that we have to proceed," De Gucht said.

However to the tricky question as to when this political stock-taking meeting can take place, the EC official suggested that a later date – rather than the currently scheduled end of March timeframe – could be a better fit given the slim progress achieved so far on the remaining technical issues. "Whether March is the moment or it should be a little bit later remains to be seen, we'll stay in very close contact with Pascal Lamy on that" De Guth said.

De Gucht, who is planning to travel to Washington on March 12, will meet with the U.S. Trade Representative, Ron Kirk, to discuss a whole range of bilateral and multilateral trade issues including the Doha Round.

#### **Upcoming Events**

- Heads of Delegations, February 17, 2010
- Senior Officials Meeting (SOM), February 15-19, 2010 March 22-26, 2010
- General Council, Feb. 22-23, May 5-6, July 29-30, Oct. 6-7, Dec.14-15, 2010
- Agriculture Consultation, March 1-12, 2010
- Regular Agriculture Committee, March 11-12, June 10-11, September 16-17, November 18-19, 2010
- NAMA consultations, March 15-19, 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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