Editorial: Looking Ahead

The stock-taking had not even started and some Members were already finger pointing at the U.S. as part of a giant blame game, holding the U.S. accountable as the sole country responsible for the lack of progress in the Doha negotiations. After Brazil, China and India, it was the turn of the EU Trade Commissioner to call on the U.S. to show some leadership in order to move the talks forward. “The idea that you can make progress without making concessions is false,” said the EU official referring to the current U.S. position. Now that the U.S. is on the brink of agreement with their health care reform, there is hope that the country will soon turn its attention to trade. As such, Members will gain help in moving the process forward by agreeing on a clear Doha road map at the end of the stock-taking week that identifies all pending issues and addresses how to resolve them in order to conclude the Round. Otherwise this stock-taking meeting will go down as yet another useless gathering.

Stock-taking Preview

In his concluding remarks of a speech delivered in Costa Rica for the country’s 20th anniversary celebration as Member of the multilateral trading system, WTO Director General, Pascal Lamy, seized the opportunity to remind government of the negative effect that a failed Doha Round would leave on the global economy. That is why Lamy is urging governments to consider completing the Doha Round as an “immediate priority” as failure to do so would “spill over into other present and future cooperation efforts” outside the trade policy area, domain such as the multilateral negotiations on climate change for instance. “Unless we can complete the Doha Round in the near future, and maintain markets open, we will find it harder to address other challenges where international cooperation is essential,” Lamy declared.

Yet, in preparation of the stock-taking meeting, all that Lamy heard from delegations was a series of repeated positions; ones that call for the U.S. to step up to the plate and clarify its position as to what it is seeking from emerging developing countries including India, China, Brazil and South Africa for the most part. Conversely, for India, Brazil and China, the U.S. will have to play a stronger role and show leadership by taking Doha to the finish line.

For the U.S., the stock-taking should simply allow Members to pursue their bilateral meetings over the upcoming months to further narrow their differences, particularly between them and emerging developing countries.

Lamy meanwhile hopes that Members will commit to a greater intensity of engagement in the negotiations. The aim of the stock-taking will be to identify the remaining outstanding issues so “that we get a clear sense of the size of those gaps and consider how to narrow them”. According to Lamy, Members must focus on the specifics.

Clearly most of the subjects that were said needing additional work are nowhere near completion. On the contrary, trade observers now think differences in some issues have even grown wider. The emblematic example of this is the special safeguard mechanism, which many in the beginning thought was only a question of agreeing on the right threshold after which the pre-Doha bound rate could be applied. Now proponents of the safeguard – namely the G-33 Members– have tabled a series of technical papers on several aspect of the mechanism and how it would work, bringing the discussion, observers say, back to pre-July 2008 understanding.

A similar problem seems to target the question of special products, although the issue has not yet been discussed since the December 2008 draft modalities text was released. As for the topics that were largely tagged as the “remaining outstanding issues” i.e. tropical products and preferences erosion, tariff simplification, sensitive products (SeP), tariff cap, blue box headroom (for the U.S.), cotton; discussions on these have remained at the level of repeating their existing positions.
Pascal Lamy has no choice but to encourage Members to continue their effort in bridging the gaps in all areas of the negotiations with the hope that the technical discussions in those departments will ease the way to political decisions that will ultimately help bring Doha to a close in a near future.

Lamy will next hold a Trade Negotiations Committee meeting with senior officials on March 22nd and again on March 26th to close the stock-taking week. In between, Members will consult among themselves in an attempt to narrow their differences and with Lamy – in a Green Room meeting scheduled for March 25 – with the aim to brainstorm the way ahead.

Upcoming Events

- Senior Officials Meeting (SOM), March 22-26, 2010
- Stock-Taking Meeting, March 22-26, 2010
- Cairns Group Ministerial Meeting, April 19, 2010 Punta del Este (Uruguay)
- 2010 OECD Forum May 26-27, 2010
- OECD Global Forum on Trade, June 8-9, 2010
- Regular Agriculture Committee, June 10-11, September 16-17, November 18-19, 2010
- G-20 Summit, June 26-27, 2010
- WTO Public Forum, September 15-17, 2010
- OECD Global Forum on Agriculture, November 29-30, 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.

For more information or comments, please visit:  www.farmsandfoods.ca

Legal Deposit:
National Library of Canada
ISSN 1496-9254