

Geneva Watch

An overview of the WTO negotiations on agriculture

Editorial: Tough Times to Focus Minds

With the football World Cup kicking off in South Africa on June 10, it has become increasingly hard for delegates – and other trade observers for that matter – to focus on what is happening in the Doha Round, especially when there is nothing substantial to report as it was the case during the June 11th Trade Negotiations Committee meeting. The last edition of the competition which took place in 2006 in Germany came amidst intensive preparations for a mini-ministerial meeting in Geneva to close modalities on agriculture and NAMA. At that time, Members' computers in WTO meeting rooms were connected on sports' websites providing updated scores instead of analysing scenarios of potential gains or losses that could be generated by proposed tariff and other domestic subsidies reductions. The good news with this year's competition, however, is that it does not interfere with an intensive negotiating calendar, which will allow certain WTO important players – and tournament favourites - such as Brazil, Argentina and some EU member states as well as others including South Africa, the US, Japan, Australia and even New Zealand to enjoy the tournament before turning to “engage into a more serious dialogue.”

Trade Negotiations Committee

The WTO Trade Negotiations Committee met on June 11 to discuss the state of the Doha Round. Chairing the meeting, WTO's Director General, Pascal Lamy, seized the opportunity to debrief the full membership on the mini-ministerial meetings – the OECD Annual Ministerial Meeting in Paris (France) and the APEC Ministerial Retreat in Sapporo (Japan) – he had attended since the end of the March stocktaking meeting. There he reminded ministers that the Round remains “an important economic stimulus package which does not impact upon already stretched budgets” and that could have a “sustainable and lasting impact.”

The gathering was also the occasion for Lamy to outline briefly what he intends to present to the G-20 leaders in Toronto on June 26-27, essentially that protectionism has so far been somewhat kept at bay. “The regular monitoring of trade measures has added a much needed transparency to the multilateral system, and helped governments resist protectionist demands,” the DG said given the decline observed in the number of new measures implemented relatively to last year. As a result, the WTO is now forecasting a global trade rebound of nearly 10% in 2010 after last year 12.2% decline.

As encouraging these numbers may be, Lamy warned that they “by no means indicate that we are out of the woods or have turned the corner. Many complex and potentially disruptive challenges remain, including very high persistent unemployment figures,” which is why the DG thinks the time has come “to shift from a 'defensive' to an 'offensive' stance,” by essentially focusing on making the case for the DDA “as a low cost fiscal stimulus package” available to all Members. The G-20 meeting in Toronto later this month will represent another venue to reiterate the need to conclude the Doha Round as soon as possible, Lamy told the full membership.

The DG insisted on keeping the ongoing strategy even though some critics said it has not yet produced any significant progress. Nevertheless, Lamy believes the “cocktail approach” which consists of bilateral, plurilateral and horizontal processes, “should be given time and space to pursue their quiet diplomacy.”

The chair-led processes are expected to continue in each area of the negotiations. Agriculture chairman David Walker will convene “confessionals” on technical ambiguities in the draft modalities.

Understanding that the current period is a tough one to engage into a horizontal give and take on the issues which remain open, Lamy nevertheless urged members to undertake a more serious dialogue on all topics for them to reach the same level of technical maturity when the time will come to embark into the horizontal process involving all areas of the DDA.

But for that to happen, Lamy suggested that Members consider looking for an “extra quantum in the negotiations” i.e. “a combination of ambition and balance for all participants, combining what is already on the table and what needs to be there for a conclusion.”

Emerging developing countries believe that the “what needs to be there for a conclusion” refers to the need to accommodate the US’s market access demands in agriculture, non agricultural market access and Services, which they have already rejected, claiming it will considerably alter the balance of the overall package.

Upcoming Events

- G-20 Summit, June 26-27, 2010, Toronto (Canada)
- Agriculture Consultations, July 5, 2010
- NAMA consultations, week of July 12, 2010
- General Council, July 29-30, Oct. 6-7, Dec.14-15, 2010
- WTO Public Forum, September 15-17, 2010
- Regular Agriculture Committee, September 17-17, November 18-19 2010
- G-20 Summit, November 11-12, 2010 Seoul, (South Korea)
- OECD Global Forum on Agriculture, November 29-30, 2010, Paris (France)

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

