

Editorial: Preparing for Autumn Discussion

Agriculture negotiators gathered this week in Geneva to continue their discussion on templates and other issues pertaining to draft 2008 modalities text. Usually, discussions such as these, on templates, have been described as mind-numbing, but a paper from the G-20 sparked a little debate at the July 6th open-ended meeting convened by agriculture chairman David Walker. The issue was whether negotiators should try to create templates for Members' commitments in all areas of the agriculture negotiations, or whether some of the templates involve topics whose substance remain to be settled. Although the issue allowed a nice debate to take place, it ended like many other discussions that took place the past year in the agriculture negotiations; that is without clear understanding on how to move forward.

Agriculture Week

Templates

Members originally agreed that the templates exercise based on the latest draft modalities text should be neutral in terms of what the actual commitments will be, and thus cannot be considered complete until the modalities themselves are completed.

However, Brazil on behalf of the G-20, presented the group's unofficial paper distinguishing between topics where the work on the templates can proceed easily without links to the substance and topics where the templates and the substance are difficult to separate. The G-20 argues that by designing the forms for these issues, Members would actually be deciding on the outcome. The G-20 believes that for topics such as tariff capping, special agricultural safeguards (SSG) or tariff rate quota (TRQ) creation, the templates should be set up after the modalities have been completed.

Meanwhile, the G-10 and EU interpret the G-20's approach as an arbitrary distinction between two groups of issues, depending on particular countries' interests. They cautioned against setting a precedent that could lead to other countries picking their own issues for the second category, further reducing the work that can be done at this stage.

Walker, meanwhile, urged members to use the summer break to supply the information needed for the Secretariat to compile data that will become part of the modalities. The information that the Secretariat has requested includes values of agricultural production, which will partly determine countries' committed limits on overall trade-distorting domestic support (OTDS). Members have agreed that value-of-production data will be annexed to the modalities.

Substance

Walker also reported on his consultations with some members on two areas of substance: the special safeguard mechanism (SSM) and tariff simplification. There was no breakthrough to be reported on either of these issues.

On SSM, after several papers tabled by both spectrums of the special safeguard discussion using actual historical data to analyze the possible impact of the SSM on trade, it was reported that although more analyses could be submitted, it was time for the discussion to turn to "problem solving", i.e. discussing how to deal with aspects of the SSM that are still unresolved.

Regarding the tariff simplification, Members' consultations on this have not progressed very far, one official said. However, some delegates promised to continue working on provisions in the December 2008 draft modalities and other possibilities in papers attached to the draft.

Argentina told delegates on July 9th that it could not accept either version as they would both result in higher *ad valorem* duties (a tariff rate charged as percentage of the price) than the present level.

Reactions

Delegations used the agriculture meeting in Geneva this week to raise or repeat some of their concerns. Speaking on behalf of the G-10, Switzerland repeated that its Members want to continue to negotiate based on the December 2008 draft, and that the balance of the draft should not be altered since the group has already yielded in many areas.

Speaking on behalf of the recently-acceded members (RAMs), Chinese Taipei called for work to sort out ambiguous parts of the December 2008 draft, particularly those affecting the RAM group. They also cautioned against upsetting provisions which concern them that are said to have already been “stabilized”, which they said would be “unacceptable”.

Argentina and India also repeated their calls for work on clearing up ambiguities and other issues related to substance so as not to be delayed while Members focus on the more technical tasks of preparing data and templates.

This was the last meeting of the agriculture negotiations before the organization’s summer break. Walker said that before the break he would tell Members about his plans for this upcoming fall. The meeting also marked the end of a year of work on data and templates.

Upcoming Events

- 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 16-17, 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)

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