

## **Editorial: Modalities Targeted by July 2011**

It's almost official; Members have decided this past week to give their all the first four months of 2011 to get the negotiations advanced enough for the WTO Director General, Pascal Lamy, to convene a Ministerial meeting before the summer break to finally hammer out modalities in all areas of the Doha Development Agenda (DDA). This new objective has to be considered highly ambitious given the rather short period of time available to delegates to resolve their technical differences. Nonetheless, whether this timeframe appears realistic or not, the one thing that seems to have consensus is that, unlike the past two years, there would be at least one Ministerial gathering on the Doha Round in 2011.

## **Key Members Brainstorm Doha's 2011 Agenda**

A group of key WTO countries (Argentina, Australia, Bangladesh, Barbados, Brazil, Burkina Faso, Canada, Chile, China, Colombia, Egypt, EU, India, Indonesia, Japan, Malaysia, Mauritius, Norway, Pakistan, South Africa, South Korea, Turkey, U.S., Venezuela) gathered in a meeting on November 23<sup>rd</sup> to discuss how to push the negotiations forward in order to meet the G-20/APEC leaders' latest declaration to intensify the talks and to maximize the chances of closing Doha next year.

According to ambassadors attending the meeting, there was a consensus on intensifying the pace of negotiations starting in early January by dropping the brainstorming exercise which has not led to any breakthroughs and then focussing primarily on the technical matters within the negotiating groups under the leadership of the chairs.

The week of January 10<sup>th</sup> was suggested as the starting point for this latest chair-led process which will involve both senior officials as well as Geneva-based ambassadors on a regular basis.

The idea would be for the chairs to come up with revised draft texts using the usual bottom-up approach in both Agriculture and Non-Agricultural Market Access (NAMA) negotiations by the end of the first quarter of 2011 (i.e. April). After April, Members will devote their time to finalizing texts on the remaining areas of the negotiations (i.e. Services, Rules, Trade Facilitation, etc).

By June 2011, all revised draft texts would have to be nearly finalized with only a few brackets left out for the final stages of the negotiations, in other words, ready for ministers to finalize modalities sometime in June or possibly July.

The second half of 2011 would be devoted to the finalization and verification of schedules in order to wrap up the entire DDA by the time of the WTO's 8<sup>th</sup> Ministerial Conference, December 15-17, 2011.

There were some differences as to when Members should start the horizontal process i.e. discussions on tradeoffs between sectors. Some ambassadors want this to be done in parallel with the discussions taking place in each negotiating group, while others believe texts in Agriculture and NAMA should be stabilized first before Members could start the horizontal process.

In the end, this question remained essentially open as no clear-cut decision was made on it.

## Reactions

Ambassadors who attended the meeting said participants seemed motivated and showed a lot of will to advance the talks. "People are willing to explore outcomes. But there's a lot of uncertainty about what the process will look like and, above all else, whether governments are ready to negotiate or not."

Members did not adopt a strict programme for next year – as everything remain fairly flexible – however, they all felt this was the logical path to follow if indeed they intend to meet G-20 leaders' recommendations.

But, ambassadors also mentioned that there are still plenty of doubts as to whether Members could really pull off a deal in such a narrow timeframe.

As things stand for the moment, all ambassadors seem to be engaged but all will depend on how discussions evolve the first weeks of January, whether countries will still remain engaged to effectively tackle the "give-and-take" negotiations. "We'll see within the first 10 days or so [of January 2011] whether people are serious or not. The time for playing games is over," one official said.

## Chairs' consultation

On November 24<sup>th</sup> and 26<sup>th</sup>, Members who participated in the small group discussions met with the negotiating group chairs. The group reportedly held a round table type of discussions where each country was asked to outline what issues it would like to see included in the chairs' agenda for next year. The chairs are then expected to take those into account when elaborating their respective programme of work for 2011, which should be part of the new strategy that will be discussed with Pascal Lamy and two dozen key ambassadors in a Green Room meeting scheduled on November 29<sup>th</sup>.

Lamy has called an informal Trade Negotiations Committee on November 30<sup>th</sup> to report back to the full membership. According to sources, two different programmes are expected to be adopted: one linked to the multilateral process and the other concerning the bilateral issues (essentially between the U.S. and emerging countries, Brazil, China and India).

## NAMA Negotiating Group

In preparation for the November 29<sup>th</sup> critical consultations on the way forward for the DDA next year, the NAMA chair Luzius Wasescha held several meetings the week of November 22<sup>nd</sup> to gather ideas on how to advance the Industrial Products negotiations.

The Swiss ambassador said Members reviewed all the issues which needed to be addressed in the next few months: Manufacturing, Chemicals, Electronics, Textiles, countries' specific situations and any other subjects delegates wanted to bring forward.

He intends to recommence his consultations next year and has set aside the week of January 17, 2011 to kick-start the Industrial Products negotiations. In the meantime, Wasescha plans to consult with ambassadors on issues they feel need political guidance.

"People seem happy to work more and sleep less," Wasescha joked in reference to Members' apparent enthusiasm to advance the talks following leaders' directives after Seoul and APEC summits. "Everyone wants to see its eggs by Easter," the NAMA chair said. "People meant business. We shall see if it remains that way."

Wasescha will undertake additional consultations the morning of November 29<sup>th</sup> with the view to feed into Lamy's Green Room meeting planned the same day. The purpose of his consultations will be to brainstorm the NAMA group work programme for 2011 starting January 17<sup>th</sup>. He said Members will then have about 68 working days to significantly narrow their differences i.e. leading to April's revised draft modalities texts.

## Upcoming Events

- OECD Global Forum on Agriculture, November 29-30, 2010, Paris (France)
- Informal Trade Negotiations Committee, November 30
- Agriculture Consultations, Week of December 6, 2010
- General Council, Dec.14-15, 2010
- G-5 Ministerial Meeting (Brussels (Belgium), Date TBC)
- NAMA Negotiating Group, January 17, 2011
- Regular Agriculture Committee, March 31, 2011; June, September and November 2011
- Revised Draft Modalities Texts, April 2011
- G-20 Summit on Agriculture, June 2011 Paris (France) (TBC)
- WTO Ministerial Conference (MC8), December 15-17, 2011

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