Vol. 11, Issue no. 4, February 4, 2011

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# Geneva Watch

An overview of the WTO negotiations on agriculture

## **Editorial: The April-July-December Targets**

Members have confirmed that they will stay the course and aim for revised drafts by April before planning a gathering in July to hammer out modalities. The questions that are creating debate, however, are the likelihood of that happening and whether these deadlines are achievable. One source explained that Ministers in Davos agreed on a timeline as opposed to deadline, "If indeed the Round has to be concluded this year, then the April-July-December targets [as it's now called] represent the timeline Members need to follow i.e. texts by April, Ministers to crack the final 'modalities-plus' by July and wrap up the whole package by December," the official said.

Obviously, if the April deadline is missed, one can assume that a ministerial meeting in July would be unlikely especially given how hard it to predict how key delegations are going react to the new texts. Ministers made it clear in Davos that they will only gather in Geneva if Members are close to the final agreement i.e. that texts are sufficiently developed for them to "easily" close the few remaining political issues. However, to achieve that without controversy, he said, one cannot rely on the chairs out-guessing the potential landing zones. It has to come from delegates.

And that's where things get complicated.

## **Informal Trade Negotiations Committee**

On February 2<sup>nd</sup>, WTO Director General, Pascal Lamy convened an informal meeting of the trade negotiations committee to debrief the full Membership on the outcome of the Davos ministerial meeting and his take on the way forward with the Doha Round.

Lamy said he told Ministers that there was a new dynamic in Geneva and that translated as a change in gear in the negotiating process, whether that is at the level of the negotiating groups or the bilateral/plurilateral consultations.

"Work is progressing on developing draft language and textual proposals as well as in removing brackets," Lamy said.

However, Lamy also cautioned against the slow pace of the negotiations since the beginning of the year. A pace, he told ministers in Davos, which is too slow to sustain any momentum required to table revised draft texts around Easter. "Atmospheric improvement is good and important, but we will not advance on air alone," he cautioned.

The bilateral and plurilateral meetings between key Members did not move fast enough to feed the multilateral process, Lamy also said, in reference to the key bilateral discussions taking place between the U.S. and emerging developing countries particularly on the issue of NAMA sectorals.

"[T]his needs to happen now," he said, "The mood music can be good but we need the two legs on the dance floor."

The time has come to "engage in genuine 'give-and-takes'" Lamy told the full Membership, adding that ministers in Davos stressed that they stand ready "to engage personally in the negotiating process at the appropriate moment," and that "they expect the Geneva process to bring them a limited number of issues for them to crack."



Lamy went on to describe the latest developments in each area of the negotiations, saying that the work on Agriculture templates continues alongside Walker's consultations on modalities issues and certain technical aspects of the modalities that need clarification.

Meanwhile, Lamy warned that in NAMA, work on sectorals did not progress as much as it did on non-trade barriers (NTBs). "This needs to change if we are to get to the same place by Easter," Lamy told the full Membership.

"We urgently need to build on the good atmospherics to accelerate negotiations at all levels if we are to record substantial progress across the board by the summer break. Bilateral and plurilateral contacts, which I already said are lagging behind, need to get into substance now. This was the message from our political masters and I am confident that the Geneva process can respond not only in style, but more importantly in substance," Lamy said in closing.

As expected after Davos meeting, no change or review was brought to the initial programme set out last December, instead "acceleration, texts, convergence is now the name of the game."

#### Members' Reactions

Following Lamy's speech, several Members took the floor to reiterate their support for seeing the round come to an end this year. Some, meanwhile, raised the flag on certain aspects of the negotiations that are still lacking progress.

Both Australia and Brazil highlighted the centrality of agriculture in determining the level of ambition of the round. Brazil called on those asking for more market access in NAMA, to understand that it will automatically mean providing additional market access in Agriculture in exchange. For Australia, there is a need to change from platitude to substance. Although Members seem to have entered the give-and-takes process in Agriculture and NAMA, Australia said this has not been the case in the area of Services.

Mauritius calls on Members to quickly address major gaps in order to conform to the development dimension, e.g. cotton, tropical products and the preferences erosion package and warned against increased ambition that could disturb the balance of the current package and achievements already garnered by smaller WTO Members.

Speaking on behalf of the G-10, Switzerland stressed that G-10 Members have moved more than any other Member and that it was time for others to reciprocate. China for its part insisted that all players should move away from their comfort zone in order to reach the April-July-December deadlines while the U.S. expressed mixed feelings regarding this objective. Ambassador Punke said he was concerned with the 2011 window of opportunity quickly narrowing but at the same time remains cautiously optimistic given the current positive dynamic, favorable for the give-and-takes exercise. The 2008 draft modalities texts, he said, contain some constructive elements but also lots of holes, particularly in Agriculture and NAMA. In addition, the area of Services lacks ambition, the deputy U.S. Trade Representative claimed.

### **Upcoming Events**

- NAMA Negotiating Group February 7-11, 2011
- Agriculture Negotiating Group Meeting, February 7-18, 2011
- Senior Officials Meeting week of February 14, 2011
- Regular Agriculture Committee, March 31, 2011; June, September and November 2011
- Revised Draft Modalities Texts, End of March 2011
- G-20 Summit on Agriculture, June 22-23, 2011 Paris (France)
- Potential DDA Mini-Ministerial Meeting (Modalities), July 2011 (TBC)
- WTO Ministerial Conference (MC8), December 15-17, 2011



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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Legal Deposit: National Library of Canada, ISSN 1496-9254









