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Geneva Watch

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An overview of the WTO negotiations on agriculture

Informal Open-Ended Agriculture Committee Special Session

The chair of the agriculture negotiating group, New Zealand Ambassador to the WTO, John Adank, invited delegates to an informal agriculture negotiations meeting the morning of March 28th.

The purpose of the gathering was to consult further with Members on the way forward with the agriculture negotiations following the Ministerial Conference in Bali (MC9). The goal is to produce a work programme – with agriculture at the heart of the talks, along with non-agricultural market access and services – for concluding the Doha Development Agenda (DDA) as directed by Ministers after Bali.

Ambassador Adank was looking for Members to highlight what they see as the key challenges that will need to be addressed, and the opportunities ahead. To guide them, he asked them to consider three questions with respect to the way forward for the agriculture negotiations:

- 1. What do members consider to be the desirable and doable aims for ongoing discussions and negotiations on the "three pillars" of the agriculture talks (market access, domestic support and export subsidies/competition)?
- 2. What contributions do Members consider that they, and others, need to make?
- 3. What new information about policy settings and developments that may be relevant to the negotiations do Members wish to introduce or would encourage others to bring forward?

The chair had already started consulting delegations individually, and in groups, which he reported on at the March 14th General Council. At that time, Ambassador Adank said he observed a "renewed engagement" among Members, but also a desire to learn about each other's positions, and to develop greater clarity about the unresolved agricultural issues.

"The essential task remains to find through an honest, frank and pragmatic exchange of views how we can unlock progress, rather than remain at an impasse on issues that a large majority of Members continue to regard as fundamental," he said in his report.

This latest consultation on the 28th, meanwhile, turned out to be more complicated than expected as Members disagree over what would constitute the basis for future negotiations; i.e. whether the present December 2008 draft modalities text, the so-called Rev4, should continue to be the basis of their deliberations.

At the centre of the disagreement is the fact that some delegations, mostly developing ones, argued that the Rev4 should remain the basis of the negotiations as it reflects the delicate balance achieved after many years of negotiations. As such, any change brought to it risks undermining the negotiations by unravelling a potential deal.

Others, mostly developed countries such as the U.S., the EU and Norway, disagreed with that assumption and argued instead that the global economy, and particularly in agriculture, has changed considerably since the Rev4 draft was produced.

The U.S., for instance, stated that it remains open to work with the Rev4 as long as it is based on updated information and the latest situation; whereas the EU for its part also claimed to be ready to accept the draft as a reference document, but warned that some parts of an eventual agreement will be closer to the draft than others. Norway pointed out the ambition of the Rev4, which it said is reflected in the numerous "carveouts" it contains. Before elaborating what Members can consider "doable" as the next steps, delegates need to sort out how ambitious the work programme should be, the Norwegians said.



The fear here, as expressed by one official, is what Members would consider as the basis for future work if the Rev4 is dropped? Would they go as far as to ignore previous reference texts such as the 2004 "framework" on which the Rev4 is based or even the original Doha mandate?

Ambassador Adank urged delegates to avoid a "sterile" debate about what is the best starting point for continuing the negotiations, and to focus instead on the nature of the issues that need to be settled and whether they can be resolved. The chair will now take the results of the recent consultations to reflect on and discuss them with Director-General Roberto Azevêdo in preparation for the April 7th Trade Negotiations Committee.

Next Trans-Pacific Partnership Meeting

TPP negotiators plan to hold their next ministerial meeting either immediately before, or after, the May 17-18 Asia-Pacific Economic Cooperation trade ministers meeting (APEC MRT) in China. The APEC MRT meeting has been previously identified as a potential date around which TPP ministers could gather to continue pushing for a deal this year.

Various sources reported that this upcoming ministerial meeting would slightly differ from the previous two gatherings where negotiating groups met in advance to prepare the ministerial meeting. This time, the meeting may take place in conjunction with meetings of the negotiating groups and chief negotiators, although the exact sequence has yet to be determined.

Furthermore, observers interpret the delay in the TPP meetings as a way of providing additional time and space to Japan and the U.S. to resolve their bilateral issues as talks are set to resume this week.

Meetings between Deputy USTR Cutler and the Japanese Ambassador to the U.S., Hiroshi Oe, are scheduled to take place on March 27-28, to continue discussions on bilateral market access negotiations – with a particular focus on agriculture and Japan's five 'sacred' categories (rice, dairy, beef and pork, wheat and barley, sugar and starch). The USTR office said that several days of working-level meetings on market access between Japan and the U.S.'s negotiating teams will also take place starting March 26^{th} .

The two countries will focus their discussions on autos and non-tariff barriers next Monday and Tuesday (March 31-April 1). However, this time Japan will have a different negotiator in Washington for that meeting, their ambassador for economic diplomacy, Ambassador Takeo Mori.

"These negotiations are taking place in conjunction with the agreement between Ambassador Froman and Japanese Minister for the TPP, Akira Amari, to continue work to seek to narrow gaps between the United States and Japan in the TPP negotiations, with a particular focus on these two priority areas," the USTR reported.

Upcoming Events

- <u>WTO Informal TNC</u>, April 7, 2014
- <u>WTO General Council</u>, May 8-9, July 24-25, Oct.7-8, Dec. 10–12, 2014
- <u>APEC Ministers Responsible for Trade</u>, May 17-18, Qingdao (China)
- <u>TPP Chief Negotiators and Negotiating Groups Meeting</u>, TBD
- <u>OECD Forum 2014</u>, May 5-6, 2014, Paris (France)
- <u>WTO Regular Agriculture Committee</u>, June 6, November 13, 2014
- <u>G-20 Trade Ministers Meeting</u>, July 19, 2014, Sydney (Australia)
- <u>G-20 Leaders Summit</u>, November 15-16, 2014, Brisbane (Australia)



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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