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Geneva Watch

Charles Akande, Editor

An overview of the WTO negotiations on agriculture

WTO Members Miss Trade Facilitation Deadline, Will Use Summer Break to Brainstorm Next Steps

WTO Members missed another deadline on July 31st following an informal trade negotiations committee (TNC) meeting. Director General Roberto Azevêdo informed the full Membership at 9:30 pm Thursday night, that key proponents in the trade facilitation discussions (TF), India and the US in particular, had been unable to resolve their differences over remaining issues and had thus missed the deadline to adopt the TF protocol as was agreed to by Ministers last December in Bali.

"Of course it is true that everything remains in play until midnight [July 31st] – but at present there is no workable solution on the table, and I have no indication that one will be forthcoming," Azevêdo told the full membership and General Council, which formally closed at midnight that same day, as they failed to arrive at a "miracle solution" that would bring all the parties together.

The success of the 9th Ministerial Conference in Bali (MC9) has seen Members increasing their engagement at the WTO with the aim to implement the decisions reached there as well as address the remainder of the Doha Round. However, this latest setback has revived fears that the negotiations can no longer be pursued on a multilateral basis with the involvement of all Members.

"The fact we do not have a conclusion means that we are entering a new phase in our work – a phase which strikes me as being full of uncertainties," Mr. Azevêdo added, warning that this would have a major impact on smaller and more vulnerable economies as Major countries will "have other options" available to them.

At the centre of the controversy is India's refusal to agree to the TF protocol, stating it is "seriously concerned about the lack of progress on some of the Bali outcomes," namely public stockholding for food security. Wanting to see the issue addressed in parallel with TF, India suggested to put the TF on hold until a permanent solution on food security can be found and see both issues resolved by December 31st, 2014. The proposed change in the deadline was firmly rejected by the majority of WTO Members, including the U.S.

"On the one side we have the firm conviction, shared by many, that the decisions that ministers reached in Bali cannot be changed or amended in any way – and that those decisions have to be fully respected," Azevêdo explained. "And on the other side of the debate we have some who believe that those decisions leave unresolved concerns that need to be addressed in ways that, in the view of others, change the balance of what was agreed in Bali," he told the full membership, adding that this missed deadline is likely to have "significant" consequences the WTO negotiating pillar.

He urged Members to use the summer break to "think carefully about what the next steps might be" and "reflect long and hard on the ramifications of this setback." When they are back to Geneva in September, the chairs of the WTO's negotiating groups will start consulting Members on the way forward following this missed deadline.

"I would recommend that you do so at the highest possible level," Azevêdo added. "I urge you to stress the importance of the situation we find ourselves in, and how significant the position you take in September will be."

Note to Readers

Geneva Watch will cease for the remainder of the summer and resume in September.

Upcoming Events

- US-Japan Parallel Negotiations, August 4-5 Washington, D.C.
- <u>TPP Chief Negotiator Meeting</u>, September 1-10, Hanoi, Vietnam (TBC)
- <u>WTO Public Forum</u>, October 1–3,
- <u>WTO General Council</u>, October 21, December 10–12
- <u>APEC Leaders Summit</u>, November 10-11 Beijing (China)
- WTO Regular Agriculture Committee, November 13-14
- <u>G-20 Leaders Summit</u>, November 15-16, 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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