



# Geneva WATCH

An overview of the bilateral, plurilateral and multilateral trade negotiations

Charles Akande, Editor

## Members Fail to Resolve the Agriculture Chairmanship Impasse

**The World Trade Organization's (WTO) full Membership met informally the afternoon of March 24<sup>th</sup> at the heads-of-delegation level to try to resolve the impasse in the selection of the new agriculture chairman to replace outgoing New Zealand ambassador Vangelis Vitalis. The meeting, which lasted about an hour, did not lead members to arrive at a consensus, an informed source said.**

The sources claim that India continues to block the selection process by maintaining its support for Hong Kong's ambassador, Irene Young, while a large percentage of the Membership wants Uruguayan ambassador, Gustavo Balbela, to chair the agriculture negotiating group. Some others, meanwhile, have suggested the Mexican ambassador, Roberto Zapata, as a potential compromise as Mexico is not a member of the Cairns Group or the G-33. However, it seems that this solution failed to convince India, whose ambassador has decided to block the process.

As a result, agriculture negotiation meetings are still on hold for the time being. The matter is in the hands of the General Council chairman, Xavier Carim (South Africa), who will continue consulting to arrive to a solution as soon as possible so work can restart in this group.

Sources say Ambassador Anjali Prasad (India) is expected to be replaced in her position this May, which might open the door for a resolution to the crisis as her replacement may not be as categorical as she is.

Several committees have scheduled meetings with their respective outgoing chairs, starting the week of March 27<sup>th</sup> to slowly get the ball rolling, officials

said. This is the case of the committee on agriculture, chaired by Canada's Garth Ehrhardt, whose time at the helm of the group expired in February.

Thus far, no delegation has overreacted to this situation knowing that the U.S. is not ready to engage in the discussion at this juncture. However, sources say the WTO could enter a major crisis if countries start to question the legitimacy of the meetings if no consensus has been found on who even chairs the committees.

### **Agriculture Committee Discuss U.S., EU Farm Subsidies**

The committee on agriculture held a meeting on March 27<sup>th</sup> despite the impasse in the selection of the chairs. Canada's agriculture attaché, Garth Ehrhardt, chaired the meeting where Members exchanged questions and answers on their respective farm policies.

The committee discussed concerns pertaining to agriculture subsidies and particularly the U.S.'s latest domestic subsidies notification for 2014, which takes into account the country's new U.S. Farm Bill. The U.S. reported a total amount of Aggregate Measurement of Support (AMS) of \$3.8 billion USD, which is well below its current ceiling of \$19.1 billion USD.

The EU also provided detailed information on its latest agricultural domestic support, which covers the 2013/2014 marketing year. The EU reported €5.9 billion of AMS over the period, which is also far below its committed level of €72.3 billion.

As the United Kingdom (U.K.) was due to officially trigger article 50 to leave the EU, Indonesia and

other countries including the Argentina, China, Russia, and the U.S., asked the commission to clarify how the U.K. will intend to allocate its TRQ for agriculture products, and the procedure to grant the generalized scheme of preference to developing countries.

In a brief response, the EU stressed that it would provide a more substantive reply in due course as, for the time being, the EU common external trade policy still applies to all its Member States including the U.K., which has not yet left the EU.

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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