



Geneva WATCH

An overview of the bilateral, plurilateral and multilateral trade negotiations

Charles Akande, Editor

Seven Weeks before MC11

We are beginning to get a clearer picture of the issues that are more likely to be discussed in Buenos Aires (Argentina), officials said, following the informal heads of delegations meeting held on October 24th. However, “while there are some signs of potential convergence in some areas, in many others this is not the case,” World Trade Organization (WTO) Director General Roberto Azevêdo told the full Membership at the meeting.

Given this situation, Members should soon focus their minds on deciding which issues can be brought forward for ministers’ consideration at the MC11 – the doable issues – and which issues are not advancing fast enough to be resolved by that time (and thus will be included in the post-MC11 work programme).

“I think that this honest assessment will allow us to focus our minds on shaping what outcomes in Buenos Aires could look like, and also to start setting a game plan for our work after Buenos Aires – including the issues that need more time to mature. In all of this, flexibility and pragmatism will be essential,” Azevêdo stressed.

The issues in play for Buenos Aires, according to officials, are public stockholding for food security purposes (PSH); domestic support; export restrictions; domestic regulation for trade in services; and fisheries subsidies, which represents probably the most advanced negotiating topic, though the source mentioned that Members could decide to agree on one section of the fisheries subsidies (i.e. subsidies for illegal, unreported, and unregulated (IUU) fishing) and leave the rest for the post-MC11 work programme.

On domestic support, it seems that the Cairns Group proposal on OTDS has attracted some supporters.

The U.S. said it appreciated the proposal, in particular because it addresses all forms of domestic support, including Article 6.2, but remains sceptical that this proposal would be enough to overcome remaining differences given the time remaining before Buenos Aires. The G-10 Members, who rejected the EU/Brazil proposal on domestic support, also seem to be able to work with the Cairns proposal saying it appreciated the proposed options. If that trend continues, the two main concerns remaining could be India and China, one source said.

On market access, the best possible outcome at MC11 would be a detailed post-MC11 work programme. The challenge, though, is the limited time available to draft one that is acceptable to all. Some Members have already cautioned against any selective approach that might potentially lead to “pick and choose” among the various market access issues.

For instance: Russia’s suggestion to immediately stop applying special safeguards (SSG) for those tariff lines where SSG have not been applied since 2001 and to schedule the gradual reduction of the number of tariff lines subject to SSG by the 12th Ministerial Conference (MC12) in 2019.

“At this stage, it looks like we are heading into a very complicated ministerial conference. But I can’t say if we are going to get a major collapse or a surprising outcome on substance,” one official confessed. Azevêdo, for his part, hopes Members will commit to strengthening the multilateral trading system and leave Buenos Aires with a clear path forward for future work on as many issues as possible.

Source said Azevêdo, who recently met Robert Lighthizer in Washington, expects the USTR to be

present in Argentina now that the NAFTA's deadline has been pushed to March 2018.

"I have found my recent interactions with ministers to be extremely helpful in raising their awareness of the discussions taking place in Geneva. I have also

welcomed the strong reaffirmations of support for a successful MC11 that I have received during these various discussions. I hope we can continue building on this constructive dialogue," he concluded.

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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