



Geneva WATCH

An overview of the bilateral, plurilateral and multilateral trade negotiations

Charles Akande, Editor

U.S. Opposes Draft Ministerial Declaration

World Trade Organization (WTO) Director General, Roberto Azevêdo, called a last minute Heads of Delegation meeting the evening of November 22nd to discuss the prospects of an agreement on a Ministerial Declaration before Members leave Geneva for the Ministerial Conference (MC11) in Buenos Aires (Argentina).

The goal was to avoid duplicating what happened in Nairobi (Kenya) at the time of the MC10 back in 2015, when Members were unable to agree on a draft document in Geneva, leaving Ministers to handle all the work in Nairobi.

At the meeting, one source said the U.S. refused to agree on a declaration that would call for a renewed support for the multilateral trading system (MTS) with the issue of development at its core. The U.S. has claimed a number of times that the WTO has not been beneficial to them and that some changes were needed in the way the organization operates.

“This is an issue that will now be taken up by ministers in Buenos Aires,” said the WTO’s spokesperson, Keith Rockwell.

A General Council Meeting is scheduled for December 1st.

Agriculture Talks

Meanwhile, the agriculture negotiating group continued its work. The group held an informal open-ended gathering on November 27th to recap the progress achieved thus far on the issues for Buenos Aires, ahead of the General Council meeting.

The negotiating group chair, Ambassador Stephen Ndung'u Karau of Kenya, stressed that among the eight topics under consideration¹ for MC11, the more advanced topics for decision are public stockholding for food security purposes (PSH) and on export prohibitions and restrictions.

He added that a decision could also be reached on cotton at MC11. On domestic support, meanwhile, given the current divergences on the issue, the chair recommended that delegates elect to pursue a limited outcome that could take the form of both a decision (albeit a limited one) along with a Post-MC11 work programme. The same goes for the special safeguard mechanism (SSM), on which discussions thus far have been one-sided.

Domestic Support

There have been many submissions on this issue, however positions of key Members have not evolved, which led some like Australia and Canada to suggest that Members leave the MC11 having locked in, at the minimum, the concept of overall limits on domestic support as the next step to guide future negotiations. Others, like Brazil, warned that as a modest outcome on both domestic support and cotton becomes elusive, it will be difficult for them to agree on an outcome on PSH as a stand-alone basis.

The U.S. said it remained convinced that Members will not be able to deliver on domestic support and reiterates the need to have up-to-date notifications in order to “clearly define the problems we are facing”.

¹ public stockholding for food security purposes (PSH); domestic support; cotton; market access, including the special agricultural safeguard (SSG); special safeguard mechanism (SSM); export prohibitions or restrictions; export competition, and sanitary and phytosanitary measures (SPS)

The U.S. added that Members should be prudent in avoiding including any complex negotiations in a future work programme, which could lead to “substantive divergences we are unable to bridge.” India and China repeated their desire to focus solely on Aggregate Measurement of Support (AMS), but also to look at disciplining the Green Box (a subsidy that does not distort trade, or at most cause minimal distortion), as well (India).

“Unless I see conscious efforts on the part of members to bridge the gaps in their negotiating positions in the next few days, I intend to recommend to Members to work towards a limited outcome potentially comprising a decision on some core principles and a work programme to guide the negotiations post-MC11,” Karau said.

Market Access

The recent efforts have been oriented towards seeking an agreement on a work programme for the continuation of market access reforms. Karau said the submission from Argentina, Brazil, Chile, Paraguay, Thailand, and Uruguay on this pillar could form the basis of such an agreement to guide negotiations post-MC11. That being said, some Members such as Switzerland and the African Group noted that future talks on agriculture market access has to be linked to other market access negotiations, such as non-agricultural market access (NAMA) and services market access.

Ambassador Karau will convene a final informal meeting on December 4th to present his final recommendations for Members to take to their Ministers for negotiations in Buenos Aires.

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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