

GENEVA Watch

AN OVERVIEW OF THE WTO NEGOTIATIONS ON AGRICULTURE



WTO Reform Continues to Dominate MC14 Debates

The Committee on The newly appointed US Ambassador to the WTO, Joseph Barloon, has arrived in Geneva. The US now has its full team in place to address discussions on WTO reform and prepare for the 14th Ministerial Conference (MC14), which will be held in Cameroon next March.

Recent WTO discussions have focused primarily on structuring and organizing reform negotiations ahead of MC14. Members agreed that Ministers should define a political direction regarding the future role of the WTO, including specifying the type of reformed organization delegations are willing to support. A pragmatic, parallel approach was adopted: Continue the technical analysis while preparing for a targeted ministerial dialogue in December to clarify the MC14 agenda and to consider the post-MC14 period.

WTO reform facilitator, Norwegian Ambassador Petter Ølberg, focused his consultations on four interdependent themes guiding the reform discussions leading up to December and MC14. These themes include: (i) The organization of the work program until December; (ii) decision-making processes; (iii) development and special and differential treatment (S&D); and (iv) fair competition and balanced trade.

The consensus-based decision-making process remains central to these discussions. While consensus guarantees inclusion, it is increasingly being used as a veto tool which hinders progress. Various proposals were considered to make the system more agile, such as flexible participation (opt-outs, reservations, or variable geometry), limits on blocking, or the application of the voting provisions in Article IX of the Marrakesh Agreement in the event of a failure to reach consensus. Others, meanwhile, warned of the risk of diluting consensus or instrumentalizing the debate to legitimize the plurilateral approach.

Overall, Members agreed that discussion on the decision-making process is inevitable, even if a resolution is unlikely to be reached before MC14. Critics acknowledged that transparency and inclusion are strengths and the lack of prioritization risks producing a descriptive rather than a strategic outcome. The reform effort must therefore shift from mapping issues to identifying actionable, time-bound decisions that Ministers can endorse.

Cairns Group Domestic Support Proposal

The Cairns Group submitted its vision for domestic support reform to the African Group in view of a potential agreement at MC14. In a nutshell, the Cairns Group proposes to consolidate all product-specific domestic support provided under Articles 6.3 (Final Bound Total Aggregate Measure of Support), 6.4 (de minimis), and 6.5 (Blue Box) for an actively exported agricultural product under a single ceiling. It was understood that the joint Cairns Group / African Group proposal would recommend maintaining current levels of domestic support (without reduction) but would require restrictions, such as disciplines on product-specific support.

The Cairns Group proposal suggests that Members with a share of less than 0.5% of world exports shall not provide product-specific domestic support exceeding 20% of the total value of production of that product, with progressively lower ceilings of 16%, 12%, and 10% for larger export shares. The proposal exempts Members whose world exports represent less than 0.01% or US\$1 million per year from being considered “active exporters.” However, this threshold is extremely low and would include even very small exporters.

The phrase “actively exported agricultural product” could mean that net food-importing countries who provide significant support to their domestically marketed agricultural products, but whose exports represent less than

0.01% of world exports, might not be affected by this reform. Developing countries exporting agricultural products like Brazil could face some restrictions under the proposed framework.

Article 6.2 (the development box), which is not capped, will remain unchanged and accessible to emerging countries. The main objective of the Cairns Group / African Group is to reach a consensus on public stockholding for food security purposes (PSH) programs, suggesting the inclusion of a structure imposing a maximum threshold on the percentage of national production to avoid market distortions.

The Cairns Group text states that developing countries “shall not be required to aggregate in the calculation of its Current Total AMS, product-specific domestic support in pursuance of public stockholding programmes for food security purposes.” The text introduces a cap of US\$2 billion or 10% of the value of the product (which ever is lowest) in support provided.

Discussions between the two groups are ongoing as many key issues remain to be resolved, particularly the African Group's core concerns regarding a level playing field and S&D for developing countries.

Furthermore, the proposal does not address the issue of market access, which the US want to see included in any discussion on domestic support. One source indicated that market access could take the form of modalities on tariff simplification and preference erosion but not tariff cuts to avoid being rejected by the EU.

The proposal also omits Annex 2 (Green Box), which has been criticized by developing countries. This approach enables numerous transfers of support measures between the different categories (box-shifting) and is carried out by some Members.

At the October 29 informal Committee on Agriculture Special Session (CoASS) the Cairns and African Groups indicated that they were not yet ready to submit a joint proposal and that discussions were ongoing. The next CoASS session is scheduled for November 21, 2025.

Geneva Watch is published monthly by Dairy Farmers of Canada, Chicken Farmers of Canada, Turkey Farmers of Canada, Canadian Hatching Egg Producers, and Egg Farmers of Canada to report on the various events occurring in Geneva, especially on agriculture.

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