



WTO: Building a Roadmap for the Second Half of 2019

The World Trade Organization’s (WTO) March 14-15 Committee on Agriculture Special Session (CoASS) convened by Agriculture negotiating group chairman, Ambassador Deep Ford (Guyana), saw many of the Working Groups (WG) – market access, domestic support; public stocks (PSH), special safeguard mechanism (SSM), and cotton – reporting to the full Membership on the state of play in their respective discussion.

Even though work in these groups were described as “highly-engaged, constructive, sincere, open and deep,” not all them reported the same level of progress in their talks which, this time, were driven by presentations from the WTO Secretariat on where the Membership stands on each topic.

Ambassador Ford hoped that Members would be able to identify specific issues and related options to form the basis for an incremental package on which they could start negotiation during the second half of the year. He was hoping this would help eliminate some of the differences and ultimately deliver an outcome at the 12th Ministerial Conference (MC12) in Astana (Kazakhstan). As such, he described the current process as “critically important” to advancing the agricultural negotiations.

“To this end, Members will explore various options, old and new ones, to seek paths that facilitate greater convergence,” Ford said.

Some of the working groups seemed more advanced than others, especially the one on domestic support where Members demonstrated a readiness “to engage in an open, interactive and focused discussion” by identifying in a “detailed manner the elements to be

addressed, including in some cases renewed suggestions, and expressed their views on how to prioritize these elements and move forward in the discussions.” However, the first gatherings of the working group on market access (WGMA) and special safeguard mechanism (WGSSM) did not quite deliver the same results, a source who attended both events said.

“Highly-Complex and Difficult”

The discussion on market access at WGMA was described as very broad, touching on a variety of issues as most Members brought in their shopping list for this first meeting, an informed source who labelled the debate as “highly-complex and difficult”, although recognizing that this working group was still at a very preliminary stage. It is clear, nevertheless, that Members have been penalized by the “reduced productivity” in this area of the agriculture negotiations over a long period of time, the chair said.

That being said, some issues seem to emerge as early favourite for Astana. During the deliberation, a number of countries pushed for the inclusion of tariff simplification among the incremental MC12 deliverables. Usually against progress in the market access file, India said it would not oppose simplifying non-ad valorem tariffs, whereas the African Group, for its part, reiterated its interest in tackling tariff simplification and tariff peaks in priority.

The U.S., which has been very active in this particular area of the negotiations, warned against cherry-picking topics for the MC12. As it stands today, it’s hard to see how Members would agree on

a selection of few elements on which they will deepen discussions given the interlinkages existing within the market access file, but also with other market access negotiations i.e. industrial products (NAMA), services, and SSM.

The latter, even though identified as a separate working group, remains connected to the broader discussion on market access. As Ambassador Ford put it, the linkages here are inevitable, therefore Members may consider invoking SSM only when the level of ambitions targeted in the individual areas of the negotiations is assessed.

Domestic Support Top Priority

Domestic support, without surprise, continues to be Members' number one priority. Delegates meanwhile are slowly moving away from considering only a reduction in trade-distorting support as several countries called for the inclusion of all types of support in the mix. Paraguay, for instance, stressed that it does not believe in the differentiation between trade-distorting and non-trade-distorting support, claiming that all types of subsidies are distorting. As such, some called for the inclusion of Green Box and Development Box (article 6.2) to be tackled as well.

At the second meeting of the working group, Brazil suggests that Members agree to put a ceiling on all forms of support (Amber, Blue, and Green), an idea that drew support from Argentina, Columbia, Chile

and Costa-Rica. Canada, for its part, said it wants the priority to be put on trade-distorting domestic support and the review of the overall level of support under Article 6.2. However, Canada also agreed that the focus should not be placed solely on AMS as the trend shows that other types of support have increased in recent years.

Ambassador Ford noted Members' desire for an outcome in this area of the talks but cautioned against the risk of a "dialogue of the deaf."

End of July Roadmap

The chair is looking to present a clear (and ambitious, some say) roadmap by the end of July to focus discussions after the summer break on a few issues identified by Members as key for MC12.

"To reach a meaningful agricultural outcome, we will need concrete progress here in Geneva in the course of this year," he told the full Membership at an Informal Heads of Delegation meeting.

"The working groups process is a launching pad aimed at allowing us to identify as soon as possible, and here I mean, around the summer break, the elements and related options which could form the basis for an incremental package on which we can start negotiating, in earnest, in the second half of this year," the chair stressed.

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