



AN OVERVIEW OF THE WTO NEGOTIATIONS ON AGRICULTURE

## **Agriculture and Responsible Consensus in Focus**

A General Council (GC) meeting was held on May 22 and 23 to take stock of the work undertaken since the 13th Ministerial Conference (MC13) in Abu Dhabi. Four areas were identified as key for the coming months: fisheries subsidies, agriculture, dispute settlement reform and investment facilitation for development.

In the area of agriculture, the main focus is on Brazil's communication on how to move forward in agricultural negotiations. Brazil wants the General Council to adopt its proposed timetable at the July 22-23 GC meeting without prejudging the outcome of the negotiations. It said its proposed roadmap for advancing agriculture negotiations has won support from key developed and developing countries like China and the United States whose ambassador described it as "a serious effort to get our negotiations on the right track." Brazil can also count on the support of other members of the Cairns Group, notably the agricultural exporting countries of Latin America.

The Brazilian proposal, however, continues to meet resistance from G-33 Members and in particular from India which rejected it due to the failure to include a permanent solution on public stockholding for food security purposes (PSH) though Brazil said it had a good meeting with India. Various meetings with the Africa-Caribbean-Pacific (ACP) Group, the African Group and the Cairns Group are planned in an attempt to address their concerns. However, some Members have already expressed skepticism about the paper's potential success due to its reliance on outdated Agriculture Chair text from before MC13, anticipating similar opposition. They view Brazil's proposition as a reaction to the deadlock at CoASS (agriculture negotiating group).

On May 31, Brazil began the process of meeting with the full membership to build support for the work program. These meetings will be held on a weekly basis up to July 11 with the objective to build a coalition of the willing at a Seniors Officials level. If the General Council does not approve the paper, Brazil noted that they can continue to work with other countries. Brazil believes it is important to have an outcome on some key issues, but left the option open to having different implementation periods for different topics.

WTO Director-General, Ngozi Okonjo-Iweala, for her part, welcomed Brazil's paper and encouraged other countries to come up with ideas and find a way out of the impasse "in this sensitive, yet vital area".

For his part, Ambassador Alparslan Acarsoy (Turkey) said he has been actively consulting with Members with a view to building a solid common basis on how work could resume to advance the negotiations, pending the result of the discussions on the Brazilian proposal in the General Council.

Ambassador Acarsoy believes that Members remain interested but are hindered by their individual priorities. His aim is to build a robust, consensus-based and results-oriented process, building on previous work and targeted towards a substantive outcome at MC14.

The WTO agriculture division is organizing a workshop in July to analyze the reasons behind the lackluster outcome of MC13 and explore new discussion topics, including sustainability at the CoASS level.

## **Retreat and the Responsible Consensus**

As part of efforts to advance work in Geneva, the GC Chair, Ambassador Petter Ølberg (Norway), announced that a retreat would be held on July 8 and 9 to reflect on how work is done in Geneva and how Ministerial Conferences can be optimized.



The need to review WTO's decision-making processes and the need for political empowerment to get the work completed at the General Council's level prior to Ministerial Conferences, are two of the issues that will be addressed at the retreat.

In a constant search for a way to speed up the negotiations, a group of WTO Members<sup>1</sup> circulated a proposal calling on Members to "uphold the practice of decision-making by consensus in a responsible manner." The proposal came after Members were asked to reflect on what Dr Ngozi described as "a lose-lose negotiating posture" which she said was not conducive to achieving results.

It is in this spirit that the aforementioned group of countries presented a draft General Council decision seeking the WTO "to adapt to its growing Membership and their evolving needs, reinforce its relevance, and uphold the principles of inclusivity and cooperation."

One of the eight co-sponsors highlighted that this concept emerged from the unfortunate events observed at MC13, where a handful of countries persistently blocked progress, wielding consensus as a tool for unanimity rather than a safeguard for vital interests. According to the group, consensus should protect Members' essential interests, not be manipulated as a bargaining chip.

However, some developing countries perceived the proposal as a direct threat to their negotiation influence. The ACP group issued a counter-proposal asserting that "the Marrakesh Agreement does not qualify consensus with terms such as 'responsible', 'constructive' or 'flexible'. Therefore, it does appear that the letter, spirit and intent of the Marrakesh Agreement provide for an approach to consensus-based decision-making which is unqualified."

This process will weaken the so-called 'principles of fairness', 'equity', and 'inclusivity' that provides each Member an equal voice in the decision-making processes of the WTO. Simply put, this proposal will alter the WTO's sacrosanct consensus rule calling for every negotiation to be agreed to by all member-countries, regardless of their size.

The retreat will aim to clarify the misunderstanding and reiterate the true meaning of "consensus" at the WTO. According to the proponents, the intent behind the responsible proposal is to encourage Members to find a way to be constructive at the WTO.

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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<sup>&</sup>lt;sup>1</sup> Costa Rica; The Gambia; Republic of Korea; Peru; Singapore; the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu, Norway and Switzerland