

Geneva WATCH

An overview of the bilateral, plurilateral and multilateral trade negotiations

WTO Ministerial Conference Cancelled Over COVID-19 Pandemic

The COVID-19 pandemic has curtailed most activities in Switzerland since mid-March, given the rapid growth in infected cases in the country, most notably in the canton of Ticino, the Italian-speaking region in southern Switzerland. Ticino shares a border with Italy, one of the epicenters of the coronavirus in Europe, along with Spain.

On March 15, WTO Members were told that meetings will be suspended until the end of April.

“In light of developments related to the COVID-19 virus and after meeting with UN agencies and observers in Geneva, we have taken a decision to suspend all meetings at the WTO until the end of April 2020. This decision will be reviewed as appropriate,” WTO Director General, Roberto Azevêdo said.

“Additionally, all WTO Secretariat staff (except on-site critical staff) are to work from home until the end of March 2020. This decision will be reviewed by the end of March,” he added.

Members nevertheless tried to hold virtual meetings on some of the most pressing issues on their agenda like fisheries subsidies, but it proved to be difficult. Azevêdo, meanwhile, continues to meet with key delegations to discuss the next steps with the MC12 following the cancellation of the June 8–11 Ministerial Conference in Nur-Sultan by the Kazakh government.

A meeting took place on March 23rd to discuss alternative dates and venues for MC12. No firm decisions were made, but there were suggestions to hold the MC12 sometime late in 2020 or even later in 2021, one informed source said.

Agriculture Negotiators to Exchange Written Comments

With the suspension of activities, the agriculture negotiating group pledges to continue working on the Chair’s report – “*Elements and processes for a possible*

outcome in agriculture at MC12” circulated on February 14th. The Chair, Ambassador Deep Ford (Guyana), invited Members to remain active during the confinement period imposed by the Swiss authorities.

The best alternative to meetings would be to continue exchanging views on various issues via written remarks on either his report or all new proposals tabled by Members, he stressed.

“With determination and flexibility, members will be able to make progress and take a step forward in achieving our collective goal towards establishing a fair and market-oriented agricultural trading system, enabling it to effectively address the challenges facing it and to contribute to the realisation of the Sustainable Development Goals,” Ford wrote.

Members have been given until mid-April to send their views to the WTO secretariat which, in turn, will assemble them into one document. It is hoped that by the end April the growth in the number of infection cases will be flattened and some work could resume.

Urgency, Complexity, and Sequencing

Prior to the suspension of all WTO activities, the state of play in agriculture was summarized by three words: urgency, complexity, and sequencing.

Domestic support continued to be central on Members’ agenda. They were said to be unanimously ready to tackle a numerical capping based on the Cairns Group’s proposal which calls for a reduction by half of domestic support outlays by 2030. The biggest question mark in this section remains which subcategories Members would consider in the cut (i.e. AMS (aggregate measure of support) only, AMS + de minimis (minimal amounts of domestic support that are allowed even though they distort trade — up to 5% of the value of production for developed countries, 10% for developing) or all article 6 support).

On market access, Members look for greater transparency with respect to applied tariffs. There is large support to including tariff simplification, i.e. ad-valorem equivalents (AVE – the conversion of non-ad valorem tariffs into ad-valorem) and an improvement in tariff rate quota (TRQ) administration among the targeted market access outcomes.

On the other end, the issues that were generally recognized as difficult for MC12 included cotton (i.e. the elimination of domestic support) given the small number of countries

involved in the matter, and both public stockholdings for food security purposes (PSH) and the special safeguard mechanism (SSM) due to the ongoing concerns with respect to special and differential (S&D) treatments.

Ambassador Ford, at the time, insisted on the word “sequencing”, calling on Members to focus on the issues that are most ready for an agreement. He asked that greater urgency be allocated to these parts of the talks.

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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