

DAY 1: MINISTERS TARGET 2010 FOR DOHA CONCLUSION, BUT GAPS REMAIN

Day one of the WTO's Seventh Ministerial Conference saw WTO officials and trade ministers from a wide range of member governments set the stage for a push to conclude the beleaguered Doha Round negotiations by the end of 2010.

But there are no signs that the divisions that have bedevilled the talks for most of their eight years are abating.

This quickly became apparent during the opening plenary Monday afternoon.

"We have made our specific interests well known: that meaningful market opening is required to complete the round," said US Trade Representative Ron Kirk, who was one of the first speakers. He strongly implied that much of this market opening needed to come from "key emerging markets," in barely veiled references to countries like Brazil, China, and India.

Minutes later, Celso Amorim, Brazil's foreign minister, countered that emerging economies had already put considerable market access on the table. "It is unreasonable to expect that concluding the round would involve additional unilateral concessions from developing countries," he said.

"Demands for additional market access in developing countries need to be tempered by the development mandate, not mercantilist aspirations," echoed Indian Commerce Minister Anand Sharma, further highlighting the divide.

The G-10 bloc of mostly developed countries with heavily protected farm sectors was also not enamoured of Washington's call for market access, this time on agriculture. The group, which includes Switzerland, Norway, and Korea, complained on Monday about increasingly ambitious demands in agriculture from the US and others, while talks on services and industrial market access lag behind.

Earlier, WTO Director-General Pascal Lamy appealed to members to send a strong signal of unity and determination to conclude the round by 2010. "Political leaders are practically unanimous that they want to meet" the target, he said, "but reaffirmation is not enough. Now we need action, concrete and practical action, to close the remaining gaps."

Catherine Ashton, speaking on her final day as EU trade commissioner, expressed concern that "we're progressing too slowly for the 2010 objective."

Hints about future process?

Differences on substance notwithstanding, several countries have started to outline a potential process for concluding the round in 2010.

The G-20 developing-country coalition had already agreed on Sunday that there should be a "multilateral opportunity, early next year" to drive progress. The Cairns Group of efficient farm exporters said on Monday morning that a framework deal on agriculture should be struck by early next year, with ministers gathering "in the early part of 2010...to ensure the round is on track for conclusion." Ministers' participation would make it easier to resolve differences, trade diplomats believe.

Swiss Trade Minister Doris Leuthard, too, suggested that the director-general consider convening a "stocktaking exercise early next year" to ensure that trade officials are on track to meet their end-2010 Doha goal.

Lamy told a public meeting Monday morning that if members do indeed want to conclude the round in 2010, "we will need an acceleration" in the negotiating process. "How we organise this acceleration" would be the top item on the WTO's post-ministerial agenda, he said.

US trade envoy Kirk cautioned that process was not enough to yield convergence. "Success is not something that negotiating group chairs, or our esteemed director-general, can deliver for us," he told the plenary. "[While w]ork programmes and stocktakings [are] useful, we cannot confuse process and substance. All shortcuts will only lead to further delays and dead ends. There simply is no substitute for the hard work of negotiations in all formats among members - ranging from large groups to direct bilateral engagement."

Countries continue to jockey for moral high ground in the negotiations. Amorim announced in his plenary speech that by mid-2010, Brazil would grant duty- and quota-free access to exports from least-developed countries covering 80 percent of all tariff lines. Four years later, all goods would be covered. "We can only hope that the developed countries will follow suit," he said, in a not-so-subtle jibe at the US, which continues to levy tariffs on some LDC exports.

Institutional thinking: reform, renewal

Not all of the ministers who spoke to the plenary on Monday focused on the Doha Round negotiations.

Switzerland's Leuthard noted that the WTO's preoccupation with the trade talks carried risks. "The ordinary committees do not always receive the necessary attention from members," she said, in a reference to the permanent WTO bodies unrelated to Doha in which countries can discuss a range of trade irritants. "This is contributing to the perception by the outside world that the WTO is losing its relevance, which is a big danger for WTO."

Amorim, too, warned that the global trade body could be marginalised unless governments took action. "The WTO is a valuable asset," he said, "but it can lose relevance unless Members are prepared to invest the political capital required to equip it for the agenda of the 21st Century, an agenda that will inevitably be linked to sustainable development in all its dimensions."

Both Leuthard and Indian minister Sharma referred to a proposal to create a process to review the WTO's functioning, efficiency and transparency and to consider improvements to the system where appropriate. Despite wide support, that proposal, which was co-sponsored

by 16 other countries, will not be put to ministers for a decision this week, for want of consensus.

Ministers from Malaysia, Mexico, China, and Hong Kong, among others, also stressed the need for members to consider how the organisation can be made more effective.

Institutional reform was on the agenda Monday morning at a parallel symposium organised by the International Centre for Trade and Sustainable Development. (Disclosure: ICTSD is the publisher of Bridges Daily Updates.) Here, Lamy contended that a Doha agreement in itself would be the best way to strengthen the system. The WTO chief argued that the global trading system's "existing toolbox" of rules and institutions was sufficient to address challenges like climate change and energy. "My own sense, for what it's worth, is that there is no reform problem in the WTO," Lamy said.

But other speakers serving on the panel with Lamy demurred, saying that the global trade body could benefit significantly from some internal re-tooling. Mexican Trade Minister Gerardo Ruiz Mateos argued that the WTO must build its capacity "to respond quickly and effectively to protectionist measures" that its members take. Meanwhile, Thomas Cottier, director of the World Trade Institute, called for the creation of "an executive body on the level of ministers," which could provide guidance and "take some ownership" of the WTO's work.

'Jingle Bells' rings in the halls

While trade officials kept busy with plenaries and side meetings, some members of civil society -- who are attending the ministerial in solid, if not record, numbers -- strove to make their own mark on the gathering.

Some 435 civil society groups from 61 developed and developing countries are accredited to attend the conference. Lamy briefed a packed room of non-governmental organisation representatives on Monday afternoon.

While most members of civil society have come to observe, or perhaps lobby their governments on the sidelines, some are determined to make a ruckus. A group of protesters barged through the lobby of the packed conference centre on

Monday afternoon, just as the ministerial's first official plenary session was about to get underway. Attracting a crowd of onlookers as they marched through the crowd, the twenty-odd activists belted out a protest song to the tune of 'Jingle Bells':

"Doha's dead, so go away
We've had enough of you
Aid for trade is the game you play
It's empty through and through."

But the demonstrators were not looking to block any of the meeting's activities, and the group disbanded quickly after finishing its a cappella protest. A secretariat official confirmed later in the day that the brief outburst "caused no disruptions" in the cavernous hall in which the plenary session was about to start.

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