

Trade Officials Fail to Narrow Gap in Davos Talks

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Trade ministers from some of the world's biggest economies said they have a long way to go to reach a global trade agreement after two days of talks did little to narrow their differences.

Ministers from Europe, the U.S., Brazil, India and about 15 other countries ended talks in Davos, Switzerland pledging to step up their efforts to complete an accord by year end.

``We are entering the end game," Joseph Deiss, Switzerland's economics minister, said after hosting meetings on the sidelines of the World Economic Forum in Davos. ``The work to be done this year is huge."

At stake is an agreement to open up markets in agriculture and industrial products and services like banking. The World Bank reckons such a pact could pump \$96 billion into the global economy and lift millions of people out of poverty.

The talks have stalled over emerging markets' demand for cuts in agricultural subsidies and the insistence by the U.S. and Europe for greater access for industrial goods and services.

Timetable

There's been no movement since the World Trade Organization's 149 members last month set a deadline of April 30 to reach the outlines of a global deal. The aim is to finish the talks before the July 2007 end of U.S. President George W. Bush's authority to get swift congressional consideration.

In an attempt to inject fresh momentum into the so-called Doha Round, the officials released a four-page timetable listing decisions that need to be made with the aim of concluding negotiations by the end of the year.

Among their goals are resolving 33 differences over agricultural subsidies and 15 questions on industrial products by April 30th. ``We've got a big number of topics to be addressed," Pascal Lamy, director general of the WTO, told reporters in Davos. ``Most of that has to be done in the first half of this year."

U.S. Trade Representative Rob Portman told reporters that ministers agreed they needed to act together to strike a deal rather than wait for each to move first.

``They all know they have to move," said Lamy. ``That is the widest secret here."

Indian Minister of Commerce Kamal Nath said the onus should be on the U.S. and Europe to slash agricultural subsidies which are hurting developing nations.

``The European Union and U.S. must move," he said. ``Developing countries cannot accept any more paying a price for the U.S. and EU to stop doing what they shouldn't be doing anyway."

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