

April 30 is WTO "drop dead date": Portman

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By Sophie Walker

WASHINGTON - April 30 is the "drop dead date" for world trade talks, U.S. trade chief Rob Portman said on Wednesday, referring to a deadline for countries to agree on subsidy and tariff cuts for agricultural and industrial goods.

Member countries of the World Trade Organization have been talking since 2001 about a global pact to boost the world economy and help poor nations by lowering trade barriers but they now risk running out of time.

In mid-2007 President George W. Bush is due to lose his power to approve trade deals with minimal congressional involvement.

"We've been talking for four and a half years. Even if we didn't have the Trade Promotion Authority deadline, it's time to pull this round together," Portman told a media briefing.

"I don't see how we miss that (April 30) date and still keep our summer deadline and then have time to finalize tariff schedules to be able to send an agreement forward early in 2007. So I think that's the drop dead date," Portman said.

Ministers from the G6 group of nations -- the United States, European Union, Japan, Australia, Brazil and India -- will meet in London on March 10 in an effort to make progress ahead of the April 30 date they set themselves at last December's WTO ministerial meeting to tackle farm and manufactured products.

Earlier on Wednesday, European Union Trade Commissioner Peter Mandelson said the EU and Brazil had a "shared understanding" on how they wanted the U.S. to reduce its agriculture subsidies further.

'BOLDEST PROPOSAL'

"Distracting the focus off market access by talking about domestic support won't work. We've put our domestic support proposal on the table and it's the boldest proposal out there," Portman said.

"We've said we're willing to step forward on reducing our trade-distorting support. And we have said we can only do so if it's fair and ... if our farmers and ranchers have ... the ability to sell their products fairly overseas."

The United States maintains that getting more access to the European Union is a vital step in persuading developing countries to also open up their farm markets. But the EU has resisted on moving further on cutting farm tariffs until India and Brazil offer more concessions on

industrial goods and services. Meanwhile, Brussels says the United States must improve its offer to cut domestic subsidies by 60 percent.

House Agriculture Committee Chairman Bob Goodlatte blasted Brussels' response to the U.S. offer.

"I am not convinced that a WTO agreement will ever be achieved," Goodlatte said in a statement.

"I remain frustrated by the European Union's position on market access. The fact that the EU's trade surplus in agricultural products is so much larger than the U.S. is ridiculous and is the result of protectionism," he said.

Portman said a new analysis of offers currently on the table could help ministers progress at the London meeting.

"This weekend is not an opportunity to make the final decision but it is an opportunity for us to look at numbers for the first time that assume certain formulas ... and come up with what the real new access would be," he said.

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