

WTO Doha round deal unlikely in 2010 - U.S. business

By Doug Palmer

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WASHINGTON (Reuters) – U.S. business groups said on Wednesday they expect slow progress in world trade talks in 2010 despite a goal set by President Barack Obama and other leaders to finish the long-running negotiations this year.

"I think it's going to be difficult to conclude in 2010," said Frank Vargo, vice president for international economic affairs at the National Association of Manufacturers. "I think it will probably be next year."

Countries launched the Doha round of world trade talks in the capital city of Qatar in late 2001 with the goal of helping poor countries prosper through trade.

However, the talks have been stalled on U.S. demands that advanced developing countries like China, Brazil and India open their markets more in exchange for cuts in farm subsidies and agricultural and manufactured good tariffs that the United States is being asked to make.

Last year, Obama agreed with other Group of 20 leaders to set a goal of finishing the round in 2010.

But after a World Trade Organization ministerial meeting in late November, countries seemed no closer to finishing the round and WTO Director General Pascal Lamy faced questions about whether to put the talks on hold for a while.

Former Canadian trade official Sergio Marchi has suggested a final deadline of 2011 -- 10 years after the talks began -- to spur the final hard bargaining needed to reach a deal.

U.S. business is eager to get to the "end game" of the negotiations and hopes that 2010 can at least make progress toward that, said Christopher Wenk, international policy director at the U.S. Chamber of Commerce.

G20 leaders are expected to revisit their goal for finishing the Doha round when they meet in Canada in late June.

"I think probably toward the end of the year you'll see more of a push by the (Obama) administration to engage aggressively, and that will probably give the round a bit of a kick start," said Jake Colvin, vice president for global trade issues at the National Foreign Trade Council.

Then, "you'll see folks trying to frame next year as the year that we conclude Doha," Colvin said.

His boss, NFTC President Bill Reinsch, noted world trade talks never ultimately fail no matter how long they take.

"This thing is going to waddle along and eventually stagger across the finish line in some form," Reinsch said.

But it will likely be a "pale imitation" of the ambitious market-opening reforms originally envisioned, he said.

(Additional reporting by Roberta Rampton; Editing by Xavier Briand)